

BROMLEY AND SHEPPARD'S COLLEGES CHARITY

England & Wales · Charity number 210337

Details

Other names	BROMLEY AND SHEPPARD'S COLLEGES, Bromley & Sheppard's Colleges, Bromley and Sheppard's Colleges
Status	Registered
Legal form	Other
Registered	1962-09-23
Register	View on the Charity Commission register

Contact

Address	The Chaplain's House BROMLEY & SHEPPARDS COLLEGES London Road Bromley Kent BR1 1PE
Phone	02084604712
Email	admin@bandscolleges.org
Website	www.bromleyandsheppardscolleges.com

Activities

Objects: 34. SUBJECT TO SUB-CLAUSE (2) OF THIS CLAUSE, THE COLLEGIANS SHALL BE PERSONS IN NEED WHO ARE:(A) WIDOWS AND WIDOWERS OF CLERKS; OR(B) RETIRED CLERKS AND THEIR SPOUSES; OR(C) A DIVORCED OR SEPARATED WIFE OR HUSBAND OF A CLERK OR A RETIRED CLERK; OR(D) AN UNMARRIED CHILD OR STEP-CHILD OF A DECEASED COLLEGIAN,(2) WITH A PREFERENCE FOR APPLICANTS WHERE THE CLERK OR RETIRED CLERK AT SOME TIME HELD OFFICE WITHIN THE DIOCESE OF ROCHESTER.

Activities: Provide housing for Church of England Clergy and their wives/widows and sometimes supporting children.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Accommodation/housing, Religious Activities
- **Who:** Elderly/old People

Geography

- **Area of benefit:** NOT DEFINED BUT PREFERENCE GIVEN TO THE DIOCESE OF ROCHESTER.
- Bromley

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£477,705	£396,898	-	-
2023-12-31	£408,012	£399,843	-	-
2022-12-31	£385,890	£425,853	-	-
2021-12-31	£374,627	£569,932	-	-
2020-12-31	£370,463	£628,121	-	-

Trustees

Name	Role	Appointed
Richard Leycester Collins	Chair	2017-02-22
CHRISTOPHER SCOTT		2014-02-19
David Stephen Brace Thomas		2022-05-04
David Willink		2024-04-28
JOHN THOROGOOD		
KATHLEEN CRAIG		
Lynda Stimson		2015-11-18
PETER MORGAN		
Rev Allie Kerr		2023-04-23
Rev George Baisley		2021-03-17
Rev JONATHAN GIBBS		2022-05-24
Rt Revd and Rt Hon Dame Sarah Mullally		2018-05-12
Sir Robert Neill KC		2025-08-18
The Most Revd and Rt Hon JUSTIN PORTAL WELBY		2013-08-07
The Very Revd Andrew Tremlett		2022-09-25
Tina Hill		2018-09-05
Tony Bentley		2014-08-27

Linked charities

- THE HOLLAND FUND (210337-35)
- CHARITY OF JAMES EDWARD NEWELL (210337-36)

Accounts

BROMLEY & SHEPPARD'S COLLEGES CHARITY
Registered Charity Number 210337
Registered Social Landlord Number A0352

TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2024

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BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their report together with the financial statements for the year ended 31st December 2024.

Legal and Administrative Information

The Charity is registered in the name of Bromley & Sheppard's Colleges Charity.

The Charity's "Governing Instrument" is a Charity Commission Scheme Ref. CD (Ldn), 210337/15863 which was sealed on 10th February 1997 and amended on 24th May 2004 to enable the acquisition of Trustee Indemnity Insurance. It was further amended on 26th March 2007 to incorporate Powers of Amendment, the requirement to appoint two elected Collegian Trustees and the facility to appoint non-voting Trustee Advisers where appropriate. The Governing Instrument was further revised on 28th November 2018.

The Charity is also a Registered Social Landlord with number A0352 and a member of The Almshouse Association, registered number 415.

The Trustees are incorporated by means of Certificate of Incorporation issued by the Charity Commission under Section 50 of the Charities Act 1993. The Certificate reference is 325/94, which was sealed on 14th July 1994.

The Trustee body consists of no more than eighteen persons who meet quarterly, to include six Ex-Officio Trustees, not fewer than seven and not more than ten Co-opted Trustees and two Collegian Trustees. The Ex-Officio Trustees have the power to appoint Deputies.

The Ex-Officio Trustees are the holders, for the time being, of the following appointments:

The Archbishop of Canterbury
The Bishop of London
The Bishop of Rochester
The Chancellor of the Diocese of Rochester
The Dean of St Paul's
The Archdeacon of Bromley and Bexley

The Co-Opted Trustees:

Mr Richard Collins (Chairman)
Mr Tony Bentley
Mrs Tina Hill
Mr Christopher Scott
Mrs Lynda Stimson
Mr David Thomas (Treasurer)
Mr John Thorogood

Appointed Deputies:

Mr Peter Morgan FRICS MCI Arb (for the Dean of St Paul's)
Mr Christopher Scott (for the Bishop of Rochester)

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

Collegian Trustees:

Miss Kathleen Craig
The Revd. George Baisley

Clerk to the Trustees:

Mrs Jo Frost

Trustees' Advisers:

Mr Graham Bradshaw
Mr Martin Lee-Warner
Mr Adrian Tutchings FRICS
Miss Susan Gilder

The registered office of the Charity is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The Charity's bankers and professional advisers are as follows:-

Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Accounting advisers and Independent Examiners	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Stockbrokers and Investment Advisers	Brewin Dolphin Securities Limited 12 Smithfield Street, London EC1A 9BD.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Charity law and Housing Association legislation require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business; and
- satisfy themselves on an annual basis that they are compliant with the standards issued by the Regulator of Social Housing (the "Regulator").

The Trustees are responsible for maintaining an adequate system of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the accounting requirements of the Governing Instrument, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Selection and Induction of Trustees

In selecting new Trustees, the primary aim of the existing Trustees is to find people who not only have an interest in the Colleges but also have the knowledge and experience to contribute to or complement the range of skills required to make up an effective Trustee team. Such people are likely to have knowledge of one or more of the legal, financial, social services, health, housing or local and national government fields.

The Trustees keep under review whether they and those they employ have the right competencies, experience and technical knowledge appropriate to the size, scale and risk profile of the organisation together with the need for further training or succession planning. Trustees themselves have the opportunity to attend training sessions provided by the

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

Almshouses Association and other relevant bodies, and any new trustees are inducted to the role as necessary.

Historical Background

Bromley College was founded in 1666 by the Will of John Warner, Bishop of Rochester. The first buildings – 20 houses, a chapel, and houses for a Chaplain and a Treasurer – were authorised by Act of Parliament in 1670.

The accommodation was to provide housing for *"Twenty poore widowes of orthodoxe and loyall clergiemmen"*.

Twenty more dwellings were constructed between 1794 and 1805 funded by substantial gifts.

Sheppard's College was founded in 1840 from gifts of Mrs Sheppard, widow of Dr Thomas Sheppard, a Fellow of Magdalen College, Oxford, to make similar provision for unmarried daughters who had lived with their mothers.

Major modernisation and re-ordering of the buildings took place in the 1970s and 1980s, and again more recently in 2005 to 2007.

Both Colleges are listed buildings: Bromley College - Grade I, Sheppard's College - Grade II*.

Beneficiaries

Charity Commission Schemes in 1974, 1981 and 1997 extended the classes of beneficiary. These now include all retired Clerks in Holy Orders (male and female) of the Churches of England and Ireland, the Church in Wales and the Scottish Episcopal Church, and their legal partners, together with divorced and separated legal partners of such Clerks and some unmarried children and step-children of deceased former Collegians.

Objects and Administration of the Charity

As indicated above, the Charity exists to provide sheltered housing for the beneficiaries as defined in the Governing Instrument. Currently there are thirty nine Collegians' dwellings, one guest flat, a Chaplain's flat and two staff dwellings. In addition, there are two separate dwellings which are let on an open market basis.

The Colleges are administered by the Trustees through the permanent members of staff. The Trustees meet at least four times each year and determine overall policy. Sub committees covering finance, fabric and welfare also meet regularly and day-to-day administration is carried out by the Clerk in consultation with the Chairman, Treasurer and Chair of the Fabric Committee. There is a team of full- and part-time staff (four in total during 42024). In addition to the provision of housing, it is the policy of the Trustees to provide as much support as resources allow and a response to emergencies, without impinging on the independence of the Collegians. The Collegians may also benefit from the services of outside voluntary organisations and those provided by Social Services and NHS Care in the Community.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees have the option of appointing a Chaplain. It was decided on the resignation of the last Chaplain to reassign the duties of the Chaplain amongst existing staff. Following review of these arrangements by the Trustees and consultation with Collegians recruitment has begun to find a new part time House-for-Duty Chaplain and, subject to finding a suitable candidate, an appointment is expected to be made in 2025.

Public Benefit

The Trustees have regard to the Charity Commission's guidance on Public Benefit. The purpose of the Charity is to provide sheltered housing for the beneficiaries in accordance with the Governing Instrument.

In serving its purpose, the Charity maintains famous and traditional 17th, 18th and 19th century buildings with a prominent position in Bromley. The general public visit the site without charge for regular organised events, including the annual Open House.

Achievements and Performance

There was a total of 5 vacancies during the year and one flat vacant at the year end. It is policy to fill any flat as soon as possible following a vacancy and a small waiting list is maintained to facilitate this.

There are regular meetings between the Collegians and the Trustees to enable Collegians to express their views about the facilities provided and any proposed changes.

The Regulator publishes three economic standards which apply to the Charity as a provider of social housing. There is a Governance and Financial Viability Standard, a Rent Standard and a Value for Money Standard. The Trustees believe they meet these required standards as they affect an organisation of the size and nature of the Charity.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

Money Metrics

In April 2018 the Regulator of Social Housing (“Regulator”) introduced a set of common metrics, which each provider is required to publish each year. These metrics are considered the most appropriate set of measures to capture performance across the sector in a fair and comparable way.

Number	Metric	Value	Note
1	Reinvestment %	0	No new properties acquired or developed
2a	New supply (social housing units) %	0	No new properties acquired or developed
2b	New supply (non-social housing units) %	0	No new properties acquired or developed
3	Gearing %	Minus 1,111%	Cash and cash equivalents exceed total debt
4	EBITDA MRI interest cover % (MRI = Major Repairs included)	N/A	There is no material interest cost and no interest-bearing liabilities, so no meaningful interest cover ratio.
5	Headline Social Housing Cost -£	£8,575	Includes costs associated with the maintenance of listed buildings, including Grade 1
6a	Operating margin (social housing lettings) %	4%	
6b	Operating margin (overall) %	4%	No disposals of properties
7	Return on Capital Employed %	2%	

Review of 2024

The level of occupancy was 98.5 % (32023, 95.99%) and the average age of Collegians 78 years (2023, 78 years). The accounts record an operating surplus for the year to 31st

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

December 2024 of £52,992 (2023, deficit (£14,164)), and an overall surplus for the year to 31st December 2024 of £112,070 (2023, surplus of £46,143).

The Trustees have a rolling programme of maintenance, renewal and redecoration of external and internal communal areas, and refurbishment and redecoration of flats is attended to when vacancies occur.

Quoted investments are recognised in the Balance Sheet at Market Value.

Movements on reserves are set out in notes 17 to 20 of the financial statements. Details of the reserves are as follows:

- In accordance with the Governing Instrument, the Trustees maintain an Extraordinary Repair Fund (ERF) to which transfers were made during 2024. At 31st December 2024, the market value of the investments representing the ERF stood at £44,359 (2023, £25,505).
- The Governing Instrument also provides for the Trustees to contribute an annual amount of £525 to a Recoupment Fund until 23rd September 2041 in accordance with the terms of a Charity Commission Scheme dated 23rd September 1981. At 31st December 2024 £22,575 had been contributed in this way and the market value of the investments representing the Recoupment Fund was £226,615 (2023, £215,419).
- The Designated Reserve, the Charitable Fund Property Reserve, represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants. This designation arises as, in the opinion of the Trustees, this amount does not represent free reserves of the Charity.
- The free reserves are represented by the Income and Expenditure account, the Investment Revaluation Fund and the ERF which together total £663,129 at 31st December 2024 (2023, £553,561). However, the Trustees do not believe that the level of free reserves held is excessive in the context of the need to maintain the listed buildings and the considerable uncertainties surrounding the costs of doing so. In 2024 the Trustees agreed that in addition to contributing to the ERF they would seek in the medium term to increase the overall liquidity of reserves (ie the proportion held in readily liquid forms).

Investment Policy

The Trustees keep under review investment policy to cover all funds /holdings managed on behalf of Bromley & Sheppard's Colleges. During 2023 a formal review of investment advice was conducted with the Charity's investment adviser Brewin Dolphin and in 2024 normal portfolio and progress discussions were held.

The 2023 review and 2024 discussions with advisers confirmed that Trustees seek sustainable and growing income from the investment portfolio and that, to reflect the nature of risks faced by the Charity, a long time horizon for investment is appropriate. The investment strategy does not aim to provide assured liquidity within this long-term portfolio.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The portfolio, including the ERF but not the Recoupment Fund, is classified by their investment manager as “category 6” for risk allocation. The Recoupment Fund, mandated to be invested solely in the COIF Charities Investment Fund, is considered “category 7”.

In a category 6 portfolio typically two thirds of value will be held in internationally diversified equity risk assets, and in a category 7 portfolio the proportion of long term equity holdings will be higher.

Management Policies, Risks and Uncertainties

The Trustees regularly review the risks and uncertainties facing the charity, many of which are concerned with the upkeep of the properties, the safety of residents and visitors given the age of the properties, and the safeguarding of vulnerable adults. Specific management policies are in place to mitigate these risks and these include as follows:

Housing Management

The housing management policy is to provide an economical, efficient and effective service to the Colleges' residents, with due consideration being given to their physical safety.

Financial Spending and Payments Delegation of Authority Policy

This delegates authorities to incur expenditures of various kinds and to authorise and make payments. All spending authority not specifically delegated is reserved to the Trustees as a body.

Employment, Training and Advancement of Disabled Persons

We are a small Charity with only a small administrative team. At the present time we have no disabled people in employment, but would honour our equal opportunities policy if the need arose.

Health, Safety and Welfare at Work of Employees

The Trustees recognise the importance of effective health, safety and welfare for their employees at work. Appropriate policies are in place for the protection of our staff members, the Collegians and visitors to the Colleges.

Anti-Social Behaviour Policy

The Colleges continue to operate an Anti-Social Behaviour Policy.

Vulnerable Adults Policy

The Trustees recognise the importance of maintaining a vulnerable adults policy and related procedures which are reviewed and confirmed annually.

Fire Risk Assessment Policy

The Colleges continue to operate a Fire Risk Assessment Policy.

Full Risk Assessment Policy

A Full Risk Assessment Policy is in place.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

On Behalf of the Trustees:

Richard Collins

A handwritten signature in black ink, appearing to read 'R Collins', with a large, sweeping flourish extending from the end.

Chairman

Date: 7th May, 2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BROMLEY & SHEPPARD'S COLLEGES CHARITY

I report to the charity trustees on my examination of the accounts of Bromley & Sheppard's Colleges Charity for the year ended 31 December 2024.

Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Moore Kingston Smith LLP.

James Saunders

FCCA, DChA

For and on behalf of Moore Kingston Smith LLP

Chartered Accountants

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 23 May 2025

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023
		£	£
Turnover	2	390,884	347,943
Other income	4	58,806	37,738
Less: operating costs	3	(396,898)	(399,845)
Operating surplus/(deficit)		52,792	(14,164)
Interest receivable and investment income	5b	28,015	22,331
Unrealised gain on investments	11	31,063	37,976
Surplus and total comprehensive income for the year		<u>111,870</u>	<u>46,143</u>

These financial statements were approved by the board of Trustees on 7th May, 2025 and signed on its behalf by:



R. Collins
Trustee



D. Thomas
Trustee

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Charitable Fund Property Reserve £	Extraordinary Repair Fund £	Investment Revaluation Fund £	Income and Expenditure Account £	Recoupment Fund £	Total £
Balance at 1 January 2023		255,938	17,943	699,071	(193,612)	190,543	969,883
Surplus from Income & Expenditure Account		-	-	-	46,143	-	46,143
Transfers		(8,892)	7,562	11,102	(34,648)	24,876	-
Balance at 31 December 2023		<u>247,046</u>	<u>25,505</u>	<u>710,173</u>	<u>(182,117)</u>	<u>215,419</u>	<u>1,016,026</u>
Surplus from Income & Expenditure Account		-	-	-	111,870	-	111,870
Transfers		(8,894)	18,854	36,301	(57,457)	11,196	-
Balance at 31 December 2024		<u><u>238,152</u></u>	<u><u>44,359</u></u>	<u><u>746,474</u></u>	<u><u>(127,704)</u></u>	<u><u>226,615</u></u>	<u><u>1,127,896</u></u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2024

		2024		2023	
	Note	£	£	£	£
Fixed Assets					
Tangible fixed assets	10		724,404		754,815
Investments	11		<u>791,436</u>		<u>746,284</u>
			1,515,840		1,501,099
Current Assets					
Debtors	12	48,012		44,238	
Cash and cash equivalents	13	<u>116,511</u>		<u>54,661</u>	
		164,523		98,899	
Creditors: Amounts falling due within one year	14	<u>(62,375)</u>		<u>(63,805)</u>	
Net Current (Liabilities)/ Assets			102,148		35,094
Total Assets Less Current Liabilities			<u>1,617,988</u>		<u>1,536,193</u>
Creditors: Amounts falling due after more than one year	15		(490,092)		(520,167)
Net assets			<u>1,127,896</u>		<u>1,016,026</u>
Reserves and Special Funds					
Designated Reserves	17		238,152		247,046
Extraordinary Repair Fund	19		44,359		25,505
Investment Revaluation Fund	20		746,474		710,173
Income and Expenditure Account			(127,704)		(182,117)
Special Funds	18		<u>226,615</u>		<u>215,419</u>
			<u>1,127,896</u>		<u>1,016,026</u>

These financial statements were approved by the board of Trustees on 7th May, 2025
signed on its behalf by:



R. Collins

Trustees



D. Thomas

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash generated by/(used in) operating activities:			
Net cash absorbed by operating activities	see below	80,720	(16,655)
Cash flows from investing activities:			
Purchase of investments	11	(15,525)	(5,525)
Proceeds on disposal of investments	11	5,212	4,980
Net cash (used in) investing activities		(10,313)	(545)
Cash flows from financing activities:			
Repayment of capital element of loan	14,15	(8,557)	(8,558)
Net cash (used in) financing activities		(8,557)	(8,558)
Change in cash and cash equivalents in the reporting period		61,850	(25,758)
Cash and cash equivalents at the beginning of the reporting period		54,661	80,419
Cash and cash equivalents at the end of the reporting period	13	116,511	54,661

Reconciliation of net surplus to net cash flow from operating activities

		2024 £	2023 £
Net surplus (per the income and expenditure account)		111,870	46,143
Adjustments for:			
Depreciation charges	10	30,411	30,411
Release of deferred capital grant	16	(21,518)	(21,518)
Gain on disposal of investments	11	(3,776)	-
Unrealised gain on investments	11	(31,063)	(37,976)
Pension deficit contributions paid	7	-	-
Increase in debtors	12	(3,774)	(8,744)
Decrease in creditors	14,15	(1,430)	(24,971)
Net cash generated by operating activities		80,720	(16,655)

	At 1 Jan 2024	Cash flows	Other non-cash changes	At 31 Dec 2024
Cash and cash equivalents	54,661	61,850	-	116,511
Loans due within one year	(8,588)	8,588	(8,558)	(8,558)
Loans due in more than one year	(36,752)	-	8,558	(28,194)
Net cash	9,321	70,438	-	79,759

BROMLEY & SHEPPARD'S COLLEGES CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies

The association is a Registered Social Landlord registered under the Charities Act 2011. The registered address is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Bromley & Sheppard's Colleges Charity includes FRS 102 and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Bromley & Sheppard's Colleges Charity is a public benefit entity in accordance with FRS 102.

The financial statements are presented in Sterling (£), which is the financial currency of the charity. Monetary amounts in these financial statements are rounded to whole pounds.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

The following principal accounting policies have been applied:

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting, modified to include certain financial instruments at fair value.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections. There has been no difficulty maintaining occupancy levels throughout 2024, and investment income and returns have not been seriously affected. The trustees do not expect much change in these conditions and after making enquiries they have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and meet its liabilities as they fall due, and that there are no material uncertainties about the charity's ability to continue as a going concern. Accordingly, these financial statements have been prepared on the going concern basis.

Turnover

Turnover represents maintenance, central heating, service contributions, Treasurer's house rent and lodge & basement rent receivable.

Housing Properties

The old quadrangle of Bromley College was constructed between 1670 and 1672 and the new quadrangle was constructed between 1782 and 1805. Sheppard's College was constructed around 1840. Although amounts contributed towards the cost of construction of Bromley College are known, there is no reliable record of the construction costs of either Bromley College or Sheppard's College. The housing properties' costs relate to modernisation costs carried out in the mid 1970's on Bromley College and between 1984 and 1986 on Sheppard's College, which were funded by Social Housing Grants (SHG), grants from the Historic Buildings Council, mortgage loans from the Greater London Council and the Housing Corporation and from Bromley and Sheppard's Colleges own resources.

Housing properties are stated at cost less depreciation. Depreciation is charged on the following basis:

Building costs	100 years straight line
Capitalised professional fees, finance charges and equipment	100 years straight line
Chaplain's House	100 years straight line
Lift to common room	30 years straight line
Kitchens and bathrooms	30 years straight line
Pipe lagging and loft insulation	30 years straight line

Other Assets

Other assets are written off to the Income and Expenditure Account in the year in which they are acquired.

Investments

Investments are stated at market value.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. Accounting Policies (cont'd)

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Recoverable amount of rental receivables

The charity estimates the recoverable value of rental receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair, it reviews the age profile of the debt, historical collection rates, and the personal circumstances of the debtor.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks.

Deferred capital grants

Social Housing Grants (SHGs) were paid by Homes England to reduce the cost of development. The SHGs are repayable under certain circumstances, primarily the sale of a property but will normally be restricted to the net proceeds of the sale.

In applying this model, such grants have been presented as deferred income to be recognised over the expected life of the underlying asset.

Cyclical Repairs and Maintenance

Bromley & Sheppard's Colleges has established a regular programme of cyclical repairs and maintenance. Costs are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repairs

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repair Fund

This fund, previously maintained out of the income of the charity, is established to provide for the extraordinary repair, improvement or rebuilding of the college buildings. From 1999 this is shown as a transfer from General Reserves.

Charitable Fund Property Reserve

This represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants.

Value Added Tax

Bromley & Sheppard's Colleges Charity is not registered for Value Added Tax. In these accounts, where applicable, expenditure is shown inclusive of VAT.

Apportionment of Management Expenses

Finance and administration costs are apportioned between management and service costs based on the estimated amount of time spent by individual staff members on management and services.

Pension Costs

There are currently no employees on the multi-employer defined pension scheme. As information is not available to use defined benefit accounting in accordance with the requirements of FRS 102, the charity accounts for these payments as if it was a defined contribution scheme.

The charity's contribution to this scheme is recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

The charity also recognises its liability in respect of deficit reduction arrangements of the multi-employer defined pension scheme.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies (cont'd)

Special Funds

The sum of £525 is transferred each year to the Recoupment Fund which is invested to recoup the proceeds from the sale of the land which has been utilised in modernisation of the colleges. From 1999 this transfer is made from the Income & Expenditure Account.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, key judgements were made in respect of the following:

- The expected useful life of fixed assets: the assets were broken down into components, and the useful economic life of each component has been assessed. During this assessment, the trustees considered the nature of the underlying assets acquired, the historic nature of the buildings, and the on-going programme of repair and maintenance.
- The amortisation period of the deferred capital grants: the grants were split into separate amounts, each of which relate directly to an underlying component of fixed asset. The amortisation of the grants then follow the useful economic life of the underlying asset.
- The Trustees' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined expenses (as analysed in Note 7). The net defined benefit pension liability at 31 December 2024 was £nil.

2. Turnover From Lettings

	2024	2023
	£	£
Maintenance contributions from residents	286,533	267,609
Central heating charges	61,369	55,080
Treasurer's house	21,696	13,033
Lodge rent	12,474	12,475
Parking donations	2,900	2,528
Storage areas and guest flats	12,320	11,945
	<u>397,292</u>	<u>362,670</u>
Less: Losses from voids	(6,408)	(14,727)
	<u><u>390,884</u></u>	<u><u>347,943</u></u>

The number of units of social housing accommodation in use during the year was 39 (2023 - 39) and all relates to Social rent for General Needs Housing.

3. Operating Costs from Lettings

	2024		2023	
	£	£	£	£
<u>Services</u>				
Salaries	27,872		28,363	
General and water rates	15,015		14,633	
Insurance	21,435		20,260	
Gas and electricity	72,957		85,560	
Grounds works	12,440		20,021	
Other direct costs	<u>1,498</u>		<u>282</u>	
		151,217		169,119
<u>Management</u>				
Fees and salaries	35,759		33,966	
Accountancy and payroll charges	14,775		14,250	
Bank charges	61		88	
Legal and professional fees	5,427		5,344	
		56,022		53,648

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. Operating Costs from Lettings (Cont'd)

Maintenance

Reactive Maintenance	30,787	54,438
Maintenance officers salary	31,164	19,441
Service Contracts	13,270	8,676
Planned Capital Projects	69,132	46,358

	144,353	128,913
Operating costs from lettings	351,592	351,680

Other operating costs (note 5a)	45,306	48,165
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Total operating costs	396,898	399,845
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Summary of Income and Expenditure from lettings

Turnover (note 2)	390,884	347,943
Operating costs from lettings - as above	(351,592)	(351,680)
Surplus/(Deficit)	39,292	(3,737)

4. Other Income

2024

2023

	£	£
Sundry donations	33,948	16,220
Legacies	3,340	-
Release of deferred capital grant (note 16)	21,518	21,518
	58,806	37,738

5a. Other operating costs

2024

2023

	£	£
Salaries	-	-
Telephone, postage and stationery	2,317	2,822
Computer supplies and support	2,500	2,488
Founders Day and functions	354	496
Office sundries	552	389
Subscriptions	1,790	1,013
Chapel sundries	1,677	4,033
Donations	4,556	3,788
Training courses and retreat fees	-	526
Chaplain's removal and recruitment costs	325	954
Housekeeping and TV	824	1,245
Depreciation	30,411	30,411
	45,306	48,165

5b. Interest receivable and similar income

2024

2023

	£	£
Bank interest received	2,251	1,168
Gain on disposal of investments	3,776	-
Investment income	21,988	21,163
	28,015	22,331

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Officers and senior executive's emoluments

	2024	2023
	£	£
Emoluments	51,645	50,565
Pensions	824	803
	<u>52,469</u>	<u>51,368</u>

Under FRS102, officers and senior executive's emoluments includes the emoluments of key management personnel. During 2024 there were two employees who served as a member of key management personnel (2023: Two.)

No employees earned more than £60,000 during the year (2023: £0). The Trustees received reimbursed expenses £31 (2023 - £1,330) and close family of Trustees received reimbursed expenses of £67 (2023: £40) in the year.

Trustees donated £15,300 (2023: £690) during the year.

Two Collegians were Trustees during the year (2023: Two.) They made maintenance and heating contributions of £18,121 (2023: £16,788.) The terms under which they hold their properties are the same as all other Collegians.

Trustee indemnity insurance was effective during the year for which the charity paid a premium of £665 (2023: £666).

There are no current members of the Church of England Funded Pension Scheme.

During the year, the aggregate compensation for loss of office of key management personnel was £nil (2023 - £nil).

7. Employee information

	2024	2023
	£	£
Staff costs during the year were :-		
Wages and salaries	90,361	80,170
Social security costs	2,800	277
Pension costs	1,634	1,323
	<u>94,795</u>	<u>81,770</u>

The average number of employees during the year was 5 (2023: 4).

Church of England Funded Pensions Scheme

Bromley & Sheppard's Colleges Charity participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme was a defined contribution scheme. The pension costs charged to the Statement of Comprehensive Income in the year are contributions payable towards benefits and accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £1,818m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of RPI less 0.8% p.a. pre-2030; and
- Mortality in accordance with 90% of the S3 base tables, with allowance for improvements in mortality rates in line with the CMI 2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Employee information (Cont'd)

Following the 31 December 2021 valuation, a recovery plan was no longer needed as there is now a surplus.

The legal structure of the scheme is such that if another Responsible Body fails, Bromley & Sheppard's Colleges could become responsible for paying a share of that Responsible Body's pension liabilities.

When a Minor Responsible Body's last active member leaves service, under a legal agreement in force, the CEFPS pension liabilities which would otherwise have been attributed to the Minor Responsible Body are instead apportioned on a pro rata basis to all the Major Responsible Bodies.

8. Operating surplus

	2024	2023
	£	£
is stated after charging :-		
Amounts payable for		
Independent Examination	<u>5,670</u>	<u>5,400</u>

9. Taxation

Bromley & Sheppard's Colleges Charity is a registered charity, and is exempt for liability to taxation on its income and capital gains.

10. Housing Properties

	Bromley College £	Sheppard's College £	Total £
Cost			
At 1 January 2024 and 31 December 2024	<u>1,191,019</u>	<u>336,699</u>	<u>1,527,718</u>
Depreciation			
At 1 January 2024	604,821	168,082	772,903
Charge for the year	<u>24,353</u>	<u>6,058</u>	<u>30,411</u>
At 31 December 2024	<u>629,174</u>	<u>174,140</u>	<u>803,314</u>
Net book value carried forward			
At 31 December 2024	<u>561,845</u>	<u>162,559</u>	<u>724,404</u>
Net book value brought forward			
At 31 December 2023	<u>586,198</u>	<u>168,617</u>	<u>754,815</u>

The original cost of the land and buildings is not known and no value is attributed thereon. A valuation was provided in 2004 by Peter L. Coling, FRICS, of Kinleigh Folkard & Hayward, Chartered Surveyors of Leonard House, 7 Newman Road, Bromley BR1 1RJ, stating "As of October 2004 I value all the properties known as, and comprising, Bromley and Sheppard's Colleges on the basis of the existing use and with vacant possession, in the sum of £10,920,000 (ten million nine hundred and twenty thousand pounds)".

The above are all completed housing properties.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. Investments	2024	2023
	£	£
Quoted investments		
Market value at 1 January 2024	746,284	707,763
Sales proceeds	(5,212)	(4,980)
	<u>741,072</u>	<u>702,783</u>
Additions at cost	15,525	5,525
	<u>756,597</u>	<u>708,308</u>
Realised gain on value of investments	3,776	-
Unrealised gain on value of investments	31,063	37,976
	<u>791,436</u>	<u>746,284</u>
Market value at 31 December 2024		
	<u>491,282</u>	<u>456,298</u>
Historic cost at 31 December 2024		
All are UK investments apart from £521,619 (2023: £458,912) relating to overseas investments.		
12. Debtors	2024	2023
	£	£
Maintenance contributions, central heating and service		
Charges receivable	28,651	26,561
Other debtors and prepayments	19,361	17,677
	<u>48,012</u>	<u>44,238</u>
13. Cash and cash equivalents	2024	2023
	£	£
Bank current and deposit accounts	115,770	53,720
Cash in Hand	741	941
	<u>116,511</u>	<u>54,661</u>
14. Creditors: Amounts falling due within one year	2024	2023
	£	£
Trade creditors	-	-
Almshouse Association loans	8,558	8,558
Tax and social security	2,496	1,564
Accruals	29,803	32,165
	<u>40,857</u>	<u>42,287</u>
Deferred capital grant (note 16)	21,518	21,518
Total	<u>62,375</u>	<u>63,805</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Creditors: Amounts falling due after more than one year	2024 £	2023 £
Deferred capital grant (note 16)	464,734	486,252
Almshouse Association loans	25,358	33,915
	<u>490,092</u>	<u>520,167</u>

	2024	2023
Analysis of loans:		
Repayable within one year	8,558	8,558
Repayable in two to five years	25,358	33,915
	<u>33,916</u>	<u>42,473</u>

The Almhouse loans are unsecured interest free loans, repayable over 10 years in 20 six monthly instalments. As the loans are interest free, the charity is not impacted by the Interest Rate Benchmark Reform.

16. Deferred capital grants	2024 £	2023 £
At 1 January	507,770	529,288
Released to income during the year	(21,518)	(21,518)
At 31 December	<u>486,252</u>	<u>507,770</u>

	2024 £	2023 £
Analysis of grants:		
Deferral within one year	21,518	21,518
Deferral in two to five years	86,072	86,072
Deferral in more than five years	378,662	400,180
	<u>486,252</u>	<u>507,770</u>

17. Designated Reserves

Charitable Fund Property Reserve	2024 £	2023 £
Balance at 1 January	247,046	255,938
Transfer to Income & Expenditure Account	(8,894)	(8,892)
Balance at 31 December	<u>238,152</u>	<u>247,046</u>

18. Special Funds

Recoupment Fund	2024 £	2023 £
Balance at 1 January	215,419	190,543
Transfer from Income & Expenditure Account	525	525
Transfer from/(to) Investment Revaluation Fund	10,671	24,351
Balance at 31 December	<u>226,615</u>	<u>215,419</u>

The Recoupment Fund is represented by a specific COIF investment with a market value equal to the fund balance.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19. Extraordinary Repair Fund	2024	2023
	£	£
Balance at 1 January	25,505	17,943
Transfer from Income & Expenditure Account	15,000	5,000
Transfer from Investment Revaluation Reserve	3,854	2,562
Balance at 31 December	<u>44,359</u>	<u>25,505</u>

20. Investment Revaluation Fund	2024	2023
	£	£
As at 1 January	710,173	699,071
Transfers from Income & Expenditure Account:		
Unrealised losses from past periods	-	-
Now realised on disposals of investments	19,764	-
Unrealised gains in the current year	31,063	38,015
Transfer to Recoupment Fund	(10,671)	(24,351)
Transfer to Extraordinary Repair Fund	<u>(3,854)</u>	<u>(2,562)</u>
As at 31 December	<u>746,475</u>	<u>710,173</u>

21. Associated Funds

The Collegian Chaplain's Fund is a separate fund operated by the Collegians. It is not under the control of the Trustees and is not incorporated in these financial statements.

22. Contingent Liabilities

There were no contingent liabilities at 31 December 2024.

Accounts

BROMLEY & SHEPPARD'S COLLEGES CHARITY
Registered Charity Number 210337
Registered Social Landlord Number A0352

TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2023

BROMLEY & SHEPPARD'S COLLEGES CHARITY

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BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report together with the financial statements for the year ended 31st December 2023.

Legal and Administrative Information

The Charity is registered in the name of Bromley & Sheppard's Colleges Charity.

The Charity's "Governing Instrument" is a Charity Commission Scheme Ref. CD (Ldn), 210337/15863 which was sealed on 10th February 1997 and amended on 24th May 2004 to enable the acquisition of Trustee Indemnity Insurance. It was further amended on 26 March 2007 to incorporate Powers of Amendment, the requirement to appoint two elected Collegian Trustees and the facility to appoint non-voting Trustee Advisers where appropriate. The Governing Instrument was further revised on 28th November 2018.

The Charity is also a Registered Social Landlord with number A0352 and a member of The Almshouse Association, registered number 415.

The Trustees are incorporated by means of Certificate of Incorporation issued by the Charity Commission under Section 50 of the Charities Act 1993. The Certificate reference is 325/94, which was sealed on 14th July 1994.

The Trustee body consists of no more than eighteen persons who meet quarterly, to include six Ex-Officio Trustees, not fewer than seven and not more than ten Co-opted Trustees and two Collegian Trustees. The Ex-Officio Trustees have the power to appoint Deputies.

The Ex-Officio Trustees are the holders, for the time being, of the following appointments:

The Archbishop of Canterbury
The Bishop of London
The Bishop of Rochester
The Chancellor of the Diocese of Rochester
The Dean of St Paul's
The Archdeacon of Bromley and Bexley

The Co-Opted Trustees:

Mr Richard Collins (Chairman)
Mr Tony Bentley
Mrs Tina Hill
Mr Christopher Scott
Mrs Lynda Stimson
Mr David Thomas (Treasurer)
Mr John Thorogood

Appointed Deputies:

Mr Peter Morgan FRICS MCI Arb (for the Dean of St Paul's)
Mr Christopher Scott (for the Bishop of Rochester)

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Collegian Trustees:

Miss Kathleen Craig
The Revd. George Baisley

Clerk to the Trustees:

Mrs Jo Frost

Trustees' Advisers:

Mr Graham Bradshaw
Mr Martin Lee-Warner
Mr Adrian Tutchings FRICS
Miss Susan Gilder

The registered office of the Charity is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The Charity's bankers and professional advisers are as follows:-

Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Accounting advisers and Independent Examiners	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Stockbrokers and Investment Advisers	Brewin Dolphin Securities Limited 12 Smithfield Street, London EC1A 9BD.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Charity law and Housing Association legislation require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business; and
- satisfy themselves on an annual basis that they are compliant with the standards issued by the Regulator of Social Housing (the "Regulator").

The Trustees are responsible for maintaining an adequate system of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the accounting requirements of the Governing Instrument, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Selection and Induction of Trustees

In selecting new Trustees, the primary aim of the existing Trustees is to find people who not only have an interest in the Colleges but also have the knowledge and experience to contribute to or complement the range of skills required to make up an effective Trustee team. Such people are likely to have knowledge of one or more of the legal, financial, social services, health, housing or local and national government fields.

The Trustees keep under review whether they and those they employ have the right competencies, experience and technical knowledge appropriate to the size, scale and risk profile of the organisation together with the need for further training or succession planning. Trustees themselves have the opportunity to attend training sessions provided by the

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Almshouses Association and other relevant bodies, and any new trustees are inducted to the role as necessary.

Historical Background

Bromley College was founded in 1666 by the Will of John Warner, Bishop of Rochester. The first buildings – 20 houses, a chapel, and houses for a Chaplain and a Treasurer – were authorised by Act of Parliament in 1670.

The accommodation was to provide housing for "*Twenty poore widowes of orthodoxe and loyall clergiemmen*".

Twenty more houses were constructed between 1794 and 1805 funded by substantial gifts.

Sheppard's College was founded in 1840 from gifts of Mrs Sheppard, widow of Dr Thomas Sheppard, a Fellow of Magdalen College, Oxford, to make similar provision for the unmarried daughters who had lived with their mothers.

Major modernisation and re-ordering of the buildings took place in the 1970s and 1980s, and again more recently in 2005 to 2007.

Both Colleges are listed buildings: Bromley College - Grade I, Sheppard's College - Grade II*.

Beneficiaries

Charity Commission Schemes in 1974, 1981 and 1997 extended the classes of beneficiary. These now include all retired Clerks in Holy Orders (male and female) of the Churches of England and Ireland, the Church in Wales and the Scottish Episcopal Church and their legal partners, together with divorced and separated legal partners of such Clerks and some unmarried children and step-children of deceased former Collegians.

Objects and Administration of the Charity

As indicated above, the Charity exists to provide sheltered housing for the beneficiaries as defined in the Governing Instrument. Currently there are forty Collegians' dwellings, one guest flat and two staff dwellings. In addition, there are two separate dwellings which are let on an open market basis.

The Colleges are administered by the Trustees through the permanent members of staff. The Trustees meet at least four times each year and determine overall policy. Sub committees covering finance, fabric and welfare also meet regularly and day-to-day administration is carried out by the Clerk in consultation with the Chairman, Treasurer and Chair of the Fabric Committee. There is a team of full- and part-time staff (four in total for most of 2023). In addition to the provision of housing, it is the policy of the Trustees to provide as much support as resources allow and a response to emergencies, without impinging on the independence of the Collegians. Modest use is made of unpaid volunteers. The Collegians may also benefit from the services of outside voluntary organisations and those provided by Social Services and NHS Care in the Community.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees have the option of appointing a Chaplain. It was decided on the resignation of the last Chaplain to reassign the duties of the Chaplain amongst existing staff. A review of these arrangements by the Trustees occurred during 2022. A recruitment process has begun to find a new Chaplain and, subject to finding a suitable candidate, an appointment is expected to be made in 2024.

Public Benefit

The Trustees have regard to the Charity Commission's guidance on Public Benefit. The purpose of the Charity is to provide sheltered housing for the beneficiaries in accordance with the Governing Instrument.

In serving its purpose, the Charity maintains famous and traditional 17th and 19th century buildings with a prominent position in Bromley. The general public visit the site without charge for regular organised events, including the annual Open House.

Achievements and Performance

There was a total of 4 vacancies during the year and one flat vacant at the year end. It is policy to fill a flat as soon as possible following a vacancy and a small waiting list is maintained to facilitate this.

There are regular meetings between the Collegians and the Trustees to enable Collegians to express their views about the facilities provided and any proposed changes.

The Regulator publishes three economic standards which apply to the Charity as a provider of social housing. There is a Governance and Financial Viability Standard, a Rent Standard and a Value for Money Standard. The Trustees believe they meet these required standards as they affect an organisation of the size and nature of the Charity.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Money Metrics

In April 2018 the Regulator of Social Housing (“Regulator”) introduced a set of common metrics, which each provider is required to publish each year. These metrics are considered the most appropriate set of measures to capture performance across the sector in a fair and comparable way.

Number	Metric	Value	Note
1	Reinvestment %	0	No new properties acquired or developed
2a	New supply (social housing units) %	0	No new properties acquired or developed
2b	New supply (non-social housing units) %	0	No new properties acquired or developed
3	Gearing %	0	Cash and cash equivalents exceed total debt
4	EBITDA MRI interest cover %	(23,094)	Very low interest charges. MRI = Major Repairs included
5	Headline Social Housing Cost –£	8,578	Includes costs associated with the maintenance of a Grade 1 17 th century building
6a	Operating margin (social housing lettings) %	(8.7)	
6b	Operating margin (overall) %	(8.7)	No disposals of properties
7	Return on Capital Employed %	(1)	Negative due to deficit for the year

Review of 2023

The level of occupancy was 95.9 % (2022, 95.3%) and the average age of Collegians 78 years (2022, 78 years). The accounts record an operating deficit for the year to 31 December 2023 of (£14,164) (2022, deficit (£56,249)), but an overall surplus for the year to 31 December 2023 of £46,143 (2022, deficit £(97,516)).

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees have a rolling programme of maintenance, renewal and redecoration of external and internal communal areas, and refurbishment and redecoration of flats is attended to when vacancies occur.

Quoted investments are recognised in the Balance Sheet at Market Value.

Movements on reserves are set out in notes 17 to 20 of the financial statements. Details of the reserves are as follows:

- In accordance with the Governing Instrument, the Trustees maintain an Extraordinary Repair Fund (ERF) to which transfers were made during 2023. At 31 December 2023, the market value of the investments representing the ERF stood at £25,505 (2022, £17,943).
- The Governing Instrument also provides for the Trustees to contribute an annual amount of £525 to a Recoupment Fund until 23 September 2041 in accordance with the terms of a Charity Commission Scheme dated 23 September 1981. At 31 December 2023 £22,050 had been contributed in this way and the market value of the investments representing the Recoupment Fund was £215,419 (2022, £190,543).
- The Designated Reserve, the Charitable Fund Property Reserve, represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants. This designation arises as, in the opinion of the Trustees, this amount does not represent free reserves of the Charity.
- The free reserves are represented by the Income and Expenditure account, the Investment Revaluation Fund and the ERF which total £553,561 at 31 December 2023 (2022, £523,402). However, the Trustees do not believe that the level of free reserves held is excessive in the context of the need to maintain the listed buildings and the considerable uncertainties surrounding the costs of doing so.

Investment Policy

The Trustees keep under review investment policy to cover all funds /holdings managed on behalf of Bromley & Sheppard's Colleges. During 2023 a formal review of investment advice was conducted with the Charity's investment adviser Brewin Dolphin.

That review confirmed that Trustees seek sustainable and growing income from the investment portfolio, and that to reflect the nature of risks faced by the Charity, a long time horizon for investment is appropriate. The investment strategy does not aim to provide assured liquidity within this long-term portfolio.

The portfolio, including the ERF but not the Recoupment Fund, is classified by their investment manager as "category 6" for risk allocation. The Recoupment Fund, mandated to be invested solely in the COIF Charities Investment Fund, is considered "category 7".

In a category 6 portfolio typically two thirds of value will be held in internationally diversified equity risks, and in a category 7 portfolio the proportion of long term equity holdings will be higher still.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Management Policies, Risks and Uncertainties

The Trustees regularly review the risks and uncertainties facing the charity, many of which are concerned with the upkeep of the properties, the safety of residents and visitors given the age of the properties, and the safeguarding of vulnerable adults. Specific management policies are in place to mitigate these risks and these include as follows:

Housing Management

The housing management policy is to provide an economical, efficient and effective service to the Colleges' residents, with due consideration being given to their physical safety.

Financial Spending and Payments Delegation of Authority Policy

This delegates authorities to incur expenditures of various kinds and to authorise and make payments. All spending authority not specifically delegated is reserved to the Trustees as a body.

Employment, Training and Advancement of Disabled Persons

We are a small Charity with only a small administrative team. At the present time we have no disabled people in employment, but would honour our equal opportunities policy if the need arose.

Health, Safety and Welfare at Work of Employees

The Trustees recognise the importance of effective health, safety and welfare for their employees at work. Appropriate policies are in place for the protection of our staff members, the Collegians and visitors to the Colleges.

Anti-Social Behaviour Policy

The Colleges continue to operate an Anti-Social Behaviour Policy.

Vulnerable Adults Policy

The Trustees recognise the importance of maintaining a vulnerable adults policy and related procedures which are reviewed and confirmed annually.

Fire Risk Assessment Policy

The Colleges continue to operate a Fire Risk Assessment Policy.

Full Risk Assessment Policy

A Full Risk Assessment Policy is in place.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

On Behalf of the Trustees:

A handwritten signature in black ink, appearing to read 'Richard Collins', written over a horizontal line.

Richard Collins

Chairman

Date: 8th May 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BROMLEY & SHEPPARD'S COLLEGES CHARITY

I report to the charity trustees on my examination of the accounts of Bromley & Sheppard's Colleges Charity for the year ended 31 December 2023.

Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Moore Kingston Smith LLP.

James Saunders

FCCA, DChA

For and on behalf of Moore Kingston Smith LLP

Chartered Accountants

Betchworth House
57-65 Station Road
Redhill
Surrey, RH1 1DL

Date: 17 May 2024

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023	2022
		£	£
Turnover	2	347,943	319,989
Other income	4	37,738	49,615
Less: operating costs	3	(399,845)	(425,853)
Operating deficit		(14,164)	(56,249)
Interest receivable and investment income	5b	22,331	16,286
Unrealised gain/ (loss) on investments	11	37,976	(57,553)
Surplus/(Deficit) and total comprehensive income for the year		<u>46,143</u>	<u>(97,516)</u>

These financial statements were approved by the board of Trustees on
signed on its behalf by:

8th May, 2024 and



R. Collins
Trustee



D. Thomas
Trustee

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Charitable Fund Property Reserve £	Extraordinary Repair Fund £	Investment Revaluation Fund £	Income and Expenditure Account £	Recoupment Fund £	Total £
Balance at 1 January 2022		318,189	100,436	635,856	(197,677)	210,595	1,067,399
Deficit from Income & Expenditure Account		-	-	-	(97,516)	-	(97,516)
Actuarial gain on pension scheme	7	-	-	-	-	-	-
Transfers		(62,251)	(82,493)	63,215	101,581	(20,052)	-
Balance at 31 December 2022		<u>255,938</u>	<u>17,943</u>	<u>699,071</u>	<u>(193,612)</u>	<u>190,543</u>	<u>969,883</u>
Surplus from Income & Expenditure Account		-	-	-	46,143	-	46,143
Actuarial gain on pension scheme	7	-	-	-	-	-	-
Transfers		(8,892)	7,562	11,102	(34,648)	24,876	-
Balance at 31 December 2023		<u><u>247,046</u></u>	<u><u>25,505</u></u>	<u><u>710,173</u></u>	<u><u>(182,117)</u></u>	<u><u>215,419</u></u>	<u><u>1,016,026</u></u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2023

		2023		2022	
	Note	£	£	£	£
Fixed Assets					
Tangible fixed assets	10		754,815		785,226
Investments	11		<u>746,284</u>		<u>707,763</u>
			1,501,099		1,492,989
Current Assets					
Debtors	12	44,238		35,494	
Cash and cash equivalents	13	<u>54,661</u>		<u>80,419</u>	
		98,899		115,913	
Creditors: Amounts falling due within one year	14	<u>(63,805)</u>		<u>(88,776)</u>	
Net Current (Liabilities)/ Assets			35,094		27,137
Total Assets Less Current Liabilities			<u>1,536,193</u>		<u>1,520,126</u>
Creditors: Amounts falling due after more than one year	15		(520,167)		(550,243)
Net assets			<u>1,016,026</u>		<u>969,883</u>
Reserves and Special Funds					
Designated Reserves	17		247,046		255,938
Extraordinary Repair Fund	19		25,505		17,943
Investment Revaluation Fund	20		710,173		699,071
Income and Expenditure Account			(182,117)		(193,612)
Special Funds	18		<u>215,419</u>		<u>190,543</u>
			<u>1,016,026</u>		<u>969,883</u>

These financial statements were approved by the board of Trustees on 8th May, and signed on its behalf by: 2024



R. Collins

Trustees



D. Thomas

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash generated from operating activities:			
Net cash absorbed by operating activities	see below	(16,655)	(39,261)
Cash flows from investing activities:			
Purchase of investments	11	(5,525)	(525)
Proceeds on disposal of investments	11	4,980	75,569
Net cash provided by/ (used in) investing activities		(545)	75,044
Cash flows from financing activities:			
Cash inflow from new loan	14,15	-	-
Repayment of capital element of loan	14,15	(8,558)	(8,558)
Net cash provided by/ (used in) financing activities		(8,558)	(8,558)
Change in cash and cash equivalents in the reporting period		(25,758)	27,226
Cash and cash equivalents at the beginning of the reporting period		80,419	53,193
Cash and cash equivalents at the end of the reporting period	13	54,661	80,419

Reconciliation of net surplus to net cash flow from operating activities

		2023 £	2022 £
Net (deficit)/ surplus (per the income and expenditure account)		46,143	(97,516)
Adjustments for:			
Depreciation charges	10	30,411	30,411
Release of deferred capital grant	16	(21,518)	(21,518)
Gain on disposal of investments	11	-	6,366
Unrealised (gain)/ loss on investments	11	(37,976)	57,553
Pension deficit contributions paid	7	-	-
Decrease in debtors	12	(8,744)	(4,536)
(Decrease) / increase in creditors	14,15	(24,971)	(10,021)
Net cash (used in)/ provided by operating activities		(16,655)	(39,261)

	At 1 Jan 2023	Cash flows	Other non-cash changes	At 31 Dec 2023
Cash and cash equivalents	80,419	(25,758)	-	54,661
Loans due within one year	(8,966)	8,966	(8,558)	(8,558)
Loans due in more than one year	(45,310)	-	8,558	(36,752)
Net cash/(net debt)	26,143	(16,792)	-	9,351

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies

The association is a Registered Social Landlord registered under the Charities Act 2011. The registered address is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Bromley & Sheppard's Colleges Charity includes FRS 102 and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Bromley & Sheppard's Colleges Charity is a public benefit entity in accordance with FRS 102.

The financial statements are presented in Sterling (£), which is the financial currency of the charity. Monetary amounts in these financial statements are rounded to whole pounds.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

The following principal accounting policies have been applied:

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting, modified to include certain financial instruments at fair value.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections. There has been no difficulty maintaining occupancy levels throughout 2023, and investment income and returns have not been seriously affected. The trustees do not expect much change in these conditions and after making enquiries they have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and meet its liabilities as they fall due, and that there are no material uncertainties about the charity's ability to continue as a going concern. Accordingly, these financial statements have been prepared on the going concern basis.

Turnover

Turnover represents maintenance, central heating, service contributions, Treasurer's house rent and lodge & basement rent receivable.

Housing Properties

The old quadrangle of Bromley College was constructed between 1670 and 1672 and the new quadrangle was constructed between 1782 and 1805. Sheppard's College was constructed around 1840. Although amounts contributed towards the cost of construction of Bromley College are known, there is no reliable record of the construction costs of either Bromley College or Sheppard's College. The housing properties' costs relate to modernisation costs carried out in the mid 1970's on Bromley College and between 1984 and 1986 on Sheppard's College, which were funded by Social Housing Grants (SHG), grants from the Historic Buildings Council, mortgage loans from the Greater London Council and the Housing Corporation and from Bromley and Sheppard's Colleges own resources.

Housing properties are stated at cost less depreciation. Depreciation is charged on the following basis:

Building costs	100 years straight line
Capitalised professional fees, finance charges and equipment	100 years straight line
Chaplain's House	100 years straight line
Lift to common room	30 years straight line
Kitchens and bathrooms	30 years straight line
Pipe lagging and loft insulation	30 years straight line

Other Assets

Other assets are written off to the Income and Expenditure Account in the year in which they are acquired.

Investments

Investments are stated at market value.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (cont'd)

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Recoverable amount of rental receivables

The charity estimates the recoverable value of rental receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair, it reviews the age profile of the debt, historical collection rates, and the personal circumstances of the debtor.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks.

Deferred capital grants

Social Housing Grants (SHG's) were paid by Homes England to reduce the cost of development. The SHG's are repayable under certain circumstances, primarily the sale of a property but will normally be restricted to the net proceeds of the sale.

In applying this model, such grants have been presented as deferred income to be recognised over the expected life of the underlying asset.

Cyclical Repairs and Maintenance

Bromley & Sheppard's Colleges has established a regular programme of cyclical repairs and maintenance. Costs are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repairs

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repair Fund

This fund, previously maintained out of the income of the charity, is established to provide for the extraordinary repair, improvement or rebuilding of the college buildings. From 1999 this is shown as a transfer from General Reserves.

Charitable Fund Property Reserve

This represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants.

Value Added Tax

Bromley & Sheppard's Colleges Charity is not registered for Value Added Tax. In these accounts, where applicable, expenditure is shown inclusive of VAT.

Apportionment of Management Expenses

Finance and administration costs are apportioned between management and service costs based on the estimated amount of time spent by individual staff members on management and services.

Pension Costs

There are currently no employees on the multi-employer defined pension scheme. As information is not available to use defined benefit accounting in accordance with the requirements of FRS 102, the charity accounts for these payments as if it was a defined contribution scheme.

The charity's contribution to this scheme is recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

The charity also recognises its liability in respect of deficit reduction arrangements of the multi-employer defined pension scheme.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (cont'd)

Special Funds

The sum of £525 is transferred each year to the Recoupment Fund which is invested to recoup the proceeds from the sale of the land which has been utilised in modernisation of the colleges. From 1999 this transfer is made from the Income & Expenditure Account.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, key judgements were made in respect of the following:

- The expected useful life of fixed assets: the assets were broken down into components, and the useful economic life of each component has been assessed. During this assessment, the trustees considered the nature of the underlying assets acquired, the historic nature of the buildings, and the on-going programme of repair and maintenance.
- The amortisation period of the deferred capital grants: the grants were split into separate amounts, each of which relate directly to an underlying component of fixed asset. The amortisation of the grants then follow the useful economic life of the underlying asset.
- The Trustees' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined expenses (as analysed in Note 7). The net defined benefit pension liability at 31 December 2023 was £nil.

2. Turnover From Lettings

	2023	2022
	£	£
Maintenance contributions from residents	267,609	250,451
Central heating charges	55,080	48,152
Treasurer's house	13,033	16,272
Lodge rent	12,475	12,475
Parking donations	2,528	3,394
Storage areas and guest flats	11,945	10,155
	<u>362,670</u>	<u>340,899</u>
Less: Losses from voids	<u>(14,727)</u>	<u>(20,910)</u>
	<u><u>347,943</u></u>	<u><u>319,989</u></u>

The number of units of social housing accommodation in use during the year was 39 (2022 - 39) and all relates to Social rent for General Needs Housing.

3. Operating Costs from Lettings

	2023		2022	
	£	£	£	£
<u>Services</u>				
Salaries	28,363		16,222	
General and water rates	14,633		15,082	
Insurance	20,260		17,635	
Gas and electricity	85,560		43,697	
Grounds works	20,021		13,094	
Other direct costs	<u>282</u>		<u>281</u>	
		169,119		106,011
<u>Management</u>				
Fees and salaries	33,966		-	
Audit and accountancy charges	14,250		20,324	
Bank charges	88		111	
Legal and professional fees	5,344		6,485	
Architect's and suveyor's fees	<u>-</u>		<u>-</u>	
		53,648		26,920

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3. Operating Costs from Lettings (Cont'd)

Maintenance

Reactive Maintenance	54,438	41,440
Maintenance officers salary	19,441	23,076
Service Contracts	8,676	49,032
Planned Capital Projects	<u>46,358</u>	<u>90,699</u>
	128,913	204,247
Operating costs from lettings	<u>351,680</u>	<u>337,178</u>
Other operating costs (note 5a)	<u>48,165</u>	<u>88,675</u>
Total operating costs	<u><u>399,845</u></u>	<u><u>425,853</u></u>

Summary of Income and Expenditure from lettings

Turnover (note 2)	347,943	319,989
Operating costs from lettings - as above	<u>(351,680)</u>	<u>(337,178)</u>
Deficit	<u><u>(3,737)</u></u>	<u><u>(17,189)</u></u>

4. Other Income

	2023	2022
	£	£
Sundry donations	16,220	11,695
Legacies	-	16,402
Release of deferred capital grant (note 16)	<u>21,518</u>	<u>21,518</u>
	<u><u>37,738</u></u>	<u><u>49,615</u></u>

5a. Other operating costs

	2023	2022
	£	£
Salaries	-	43,284
Telephone, postage and stationery	2,822	2,257
Computer supplies and support	2,488	2,124
Founders Day and functions	496	494
Office sundries	389	2,274
Subscriptions	1,013	-
Chapel sundries	4,033	1,074
Donations	3,788	5,595
Training courses and retreat fees	526	-
Chaplain's removal and recruitment costs	954	-
Housekeeping and TV	1,245	1,162
Depreciation	<u>30,411</u>	<u>30,411</u>
	<u><u>48,165</u></u>	<u><u>88,675</u></u>

5b. Interest receivable and similar income

	2023	2022
	£	£
Bank interest received	1,168	207
Gain/ (loss) on disposal of investments	-	(6,366)
Investment income	<u>21,163</u>	<u>22,445</u>
	<u><u>22,331</u></u>	<u><u>16,286</u></u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Officers and senior executives emoluments

	2023	2022
	£	£
Emoluments	33,000	32,256
Pensions	803	741
	<u>33,803</u>	<u>32,997</u>
Highest paid senior executive	<u>33,803</u>	<u>32,997</u>

Under FRS102, officers and senior executives emoluments includes the emoluments of key management personnel. During 2023 there was one employee who served as a member of key management personnel.

No employees earned more than £60,000 during the year. The Trustees received reimbursed expenses £nil (2022 - £nil) in the year.

Trustee indemnity insurance was effected during the year for which the charity paid a premium of £666 (2022: £665).

There are no current members of the Church of England Funded Pension Scheme.

During the year, the aggregate compensation for loss of office of key management personnel was £nil (2022 - £nil).

7. Employee information

	2023	2022
	£	£
Staff costs during the year were :-		
Wages and salaries	80,170	79,812
Social security costs	277	1,651
Pension costs	1,323	1,120
	<u>81,770</u>	<u>82,583</u>

The average number of employees during the year was 4 (2022: 5).

Church of England Funded Pensions Scheme

Bromley & Sheppard's Colleges Charity participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme was a defined contribution scheme. The pension costs charged to the Statement of Comprehensive Income in the year are contributions payable towards benefits and accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £1,818m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of RPI less 0.8% p.a. pre-2030; and
- Mortality in accordance with 90% of the S3 base tables, with allowance for improvements in mortality rates in line with the CMI 2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Employee information (Cont'd)

Following the 31 December 2021 valuation, a recovery plan was no longer needed as there is now a surplus.

The legal structure of the scheme is such that if another Responsible Body fails, Bromley & Sheppard's Colleges could become responsible for paying a share of that Responsible Body's pension liabilities.

When a Minor Responsible Body's last active member leaves service, under a legal agreement in force, the CEFPS pension liabilities which would otherwise have been attributed to the Minor Responsible Body are instead apportioned on a pro rata basis to all the Major Responsible Bodies.

8. Operating (deficit)/ surplus	2023	2022
	£	£
is stated after charging :-		
Amounts payable to auditors:		
Audit services	-	11,760
Independent examination	5,400	-
	<u>5,400</u>	<u>-</u>

9. Taxation

Bromley & Sheppard's Colleges Charity is a registered charity, and is exempt for liability to taxation on its income and capital gains.

10. Housing Properties

	Bromley College £	Sheppard's College £	Total £
Cost			
At 1 January 2023 and 31 December 2023	<u>1,191,019</u>	<u>336,699</u>	<u>1,527,718</u>
Depreciation			
At 1 January 2023	580,468	162,024	742,492
Charge for the year	<u>24,353</u>	<u>6,058</u>	<u>30,411</u>
At 31 December 2023	<u>604,821</u>	<u>168,082</u>	<u>772,903</u>
Net book value carried forward			
At 31 December 2023	<u>586,198</u>	<u>168,617</u>	<u>754,815</u>
Net book value brought forward			
At 31 December 2022	<u>610,551</u>	<u>174,675</u>	<u>785,226</u>

The original cost of the land and buildings is not known and no value is attributed thereon. A valuation was provided in 2004 by Peter L. Coling, FRICS, of Kinleigh Folkard & Hayward, Chartered Surveyors of Leonard House, 7 Newman Road, Bromley BR1 1RJ, stating "As of October 2004 I value all the properties known as, and comprising, Bromley and Sheppard's Colleges on the basis of the existing use and with vacant possession, in the sum of £10,920,000 (ten million nine hundred and twenty thousand pounds)".

The above are all completed housing properties.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

11. Investments	2023	2022
	£	£
Quoted investments		
Market value at 1 January 2023	707,763	846,726
Sales proceeds	(4,980)	(75,569)
	<u>702,783</u>	<u>771,157</u>
Additions at cost	5,525	525
	<u>708,308</u>	<u>771,682</u>
Realised gain/(loss) on value of investments	-	(6,366)
Unrealised gain/(loss) on value of investments	37,976	(57,553)
Market value at 31 December 2023	<u>746,284</u>	<u>707,763</u>
Historic cost at 31 December 2023	<u>456,298</u>	<u>453,082</u>
All are UK investments apart from £458,912 (2022: £339,003) relating to overseas investments.		
12. Debtors	2023	2022
	£	£
Maintenance contributions, central heating and service		
Charges receivable	26,561	24,019
Income Tax recoverable	-	739
Other debtors and prepayments	17,677	10,736
	<u>44,238</u>	<u>35,494</u>
13. Cash and cash equivalents	2023	2022
	£	£
Bank current and deposit accounts	53,720	80,045
Cash in Hand	941	374
	<u>54,661</u>	<u>80,419</u>
14. Creditors: Amounts falling due within one year	2023	2022
	£	£
Trade creditors	-	-
Almshouse Association loans	8,558	8,558
Tax and social security	1,564	761
Accruals	32,165	57,939
	<u>42,287</u>	<u>67,258</u>
Deferred capital grant (note 16)	21,518	21,518
Total	<u>63,805</u>	<u>88,776</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Creditors: Amounts falling due after more than one year	2023 £	2022 £
Deferred capital grant (note 16)	486,252	507,770
Almshouse Association loans	33,915	42,473
	<u>520,167</u>	<u>550,243</u>

	2023	2022
Analysis of loans:		
Repayable within one year	8,558	8,558
Repayable in two to five years	33,915	34,230
Repayable in more than five years	-	8,242
	<u>42,473</u>	<u>51,030</u>

The Almshouse loan are unsecured interest free loans, repayable over 10 years in 20 six monthly instalments. As the loan is interest free, the charity is not impacted by the Interest Rate Benchmark Reform.

16. Deferred capital grants	2023 £	2022 £
At 1 January	529,288	550,806
Released to income during the year	(21,518)	(21,518)
At 31 December	<u>507,770</u>	<u>529,288</u>

	2023 £	2022 £
Analysis of grants:		
Deferral within one year	21,518	21,518
Deferral in two to five years	86,072	86,072
Deferral in more than five years	400,180	421,698
	<u>507,770</u>	<u>529,288</u>

17. Designated Reserves

Charitable Fund Property Reserve	2023 £	2022 £
Balance at 1 January	255,938	318,189
Transfer to Income & Expenditure Account	(8,892)	(62,251)
Balance at 31 December	<u>247,046</u>	<u>255,938</u>

18. Special Funds	2023 £	2022 £
Recoupment Fund		
Balance at 1 January	190,543	210,595
Transfer from Income & Expenditure Account	525	525
Transfer from/(to) Investment Revaluation Fund	24,351	(20,577)
Balance at 31 December	<u>215,419</u>	<u>190,543</u>

The Recoupment Fund is represented by a specific COIF investment with a market value equal to the fund balance.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Extraordinary Repair Fund	2023	2022
	£	£
Balance at 1 January	17,943	100,436
Transfer from Income & Expenditure Account	5,000	-
Transfer from/(to) Investment Revaluation Reserve	2,562	(82,493)
Balance at 31 December	<u>25,505</u>	<u>17,943</u>

20. Investment Revaluation Fund	2023	2022
	£	£
As at 1 January	699,071	635,856
Transfers from Income & Expenditure Account:		
Unrealised losses from past periods	-	-
Now realised on disposals of investments	-	18,471
Unrealised gains/(losses) in the current year	38,015	(58,326)
Transfer (to)/from Recoupment Fund	(24,351)	20,577
Transfer (to)/from Extraordinary Repair Fund	<u>(2,562)</u>	<u>82,493</u>
As at 31 December	<u>710,173</u>	<u>699,071</u>

21. Associated Funds

The Collegian Chaplain's Fund is a separate fund operated by the Collegians. It is not under the control of the Trustees and is not incorporated in these financial statements.

22. Contingent Liabilities

There were no contingent liabilities at 31 December 2023.

Accounts

BROMLEY & SHEPPARD'S COLLEGES CHARITY
Registered Charity Number 210337
Registered Social Landlord Number A0352

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

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BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report together with the audited financial statements for the year ended 31 December 2022.

Legal and Administrative Information

The charity is registered in the name of Bromley & Sheppard's Colleges Charity.

The Charity's governing instrument is a Charity Commission Scheme Ref. CD (Ldn), 210337/15863 which was sealed on 10 February 1997 and amended on 24 May 2004 to enable the acquisition of Trustee Indemnity Insurance. It was further amended on 26 March 2007 to incorporate Powers of Amendment, the requirement to appoint two elected Collegian Trustees and the facility to appoint non-voting Trustee Advisers where appropriate. A further amendment on 5 December 2018 altered the age eligibility of Co-opted Trustees.

The Charity is also a Registered Social Landlord with number A0352 and a member of The Almshouse Association, registered number 415.

The Trustees are incorporated by means of Certificate of Incorporation issued by the Charity Commission under Section 50 of the Charities Act 1993. The Certificate reference is 325/94, which was sealed on 14 July 1994.

The Trustee body consists of no more than eighteen persons who meet quarterly, to include six Ex-Officio Trustees, not fewer than seven and not more than ten Co-opted Trustees and two Collegian Trustees. The Ex-Officio Trustees have the power to appoint Deputies.

The Ex-Officio Trustees are the holders, for the time being, of the following appointments:

The Archbishop of Canterbury

The Bishop of London

The Bishop of Rochester

The Chancellor of the Diocese of Rochester

The Dean of St Paul's

The Archdeacon of Bromley and Bexley

The Co-Opted Trustees:

Mr Richard Collins (Chairman)

Mr Tony Bentley

Mrs Tina Hill

Mr Christopher Scott

Mrs Lynda Stimson

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Mr David Thomas (Treasurer) (appointed 4th May 2022)

Mr John Thorogood

Appointed Deputies:

Mr Peter Morgan FRICS MCI Arb (for the Dean of St Paul's)

Mr Christopher Scott (for the Bishop of Rochester)

Collegian Trustees:

Miss Kathleen Craig

The Revd. George Baisley

Chaplain:

Position vacant (see below)

Clerk to the Trustees:

Mrs Jo Frost

Trustees' Advisers:

Mr Graham Bradshaw

Mr Martin Lee-Warner

Mr Adrian Tutchings FRICS

Miss Susan Gilder

The registered office of the Charity is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Charity's bankers and professional advisers are as follows:-

Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Auditors	Moore Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL
Stockbrokers/Investment Advisers	Brewin Dolphin Securities Limited 12, Smithfield Street, London. EC1A 9BD.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Charity law and Housing Association legislation require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- satisfy themselves on an annual basis that they are compliant with the Governance and Financial Viability Standard issued by the Homes & Communities Agency.

The Trustees are responsible for maintaining an adequate system of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the accounting requirements of the Charity Commission Schemes dated 10 February 1997 and 24 May 2004, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Selection and Induction of Trustees

In selecting new Trustees, the primary aim of the existing Trustees is to find people who not only have an interest in the Colleges but also have the knowledge and experience to contribute to or complement the range of skills required to make up an effective Trustee team. Such people are likely to have knowledge of one or more of the legal, financial, social services, health, housing or local and national government fields.

The Trustees regularly assess whether they and those they employ have the right competencies, experience and technical knowledge appropriate to the size, scale and risk profile of the organisation together with the need for further training or succession planning.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Induction programmes include sessions with the Chairman and the Clerk to the Trustees and opportunities to meet the Collegians. Because of the experience required, appointees may already have held other trusteeships but where this is not the case they will also be given briefing on the duties of Trustees.

All Trustees have the opportunity to attend training sessions provided by the Almshouses Association and other relevant bodies.

Historical Background

Bromley College was founded in 1666 by the Will of John Warner, Bishop of Rochester. The first buildings – 20 houses, a chapel, and houses for a Chaplain and a Treasurer – were authorised by Act of Parliament in 1670.

The accommodation was to provide housing for *"Twenty poore widowes of orthodoxe and loyall clergiemmen"*.

Twenty more houses were constructed between 1794 and 1805 funded by substantial gifts.

Sheppard's College was founded in 1840 from gifts of Mrs Sheppard, widow of Dr Thomas Sheppard, a Fellow of Magdalen College, Oxford, to make similar provision for the unmarried daughters who had lived with their mothers.

Major modernisation and re-ordering of the buildings took place in the 1970s and 1980s, and again more recently in 2005 to 2007.

Both Colleges are listed buildings: Bromley College - Grade I, Sheppard's College - Grade II*.

Beneficiaries

Charity Commission Schemes in 1974, 1981 and 1997 extended the classes of beneficiary. These now include all retired Clerks in Holy Orders (male and female) of the Churches of England and Ireland, the Church in Wales and the Scottish Episcopal Church and their spouses, together with divorced and separated spouses of such Clerks and unmarried daughters and step-daughters of former Collegians.

Objects and Administration of the Charity

As indicated above, the Charity exists to provide sheltered housing for the beneficiaries as defined in the Governing Instrument. Currently there are forty Collegians' dwellings, one guest flat and two staff dwellings. In addition, there are two separate dwellings which are let on an open market basis.

The Colleges are administered by the Trustees through the permanent members of staff. The Trustees meet at least four times each year and determine overall policy. Sub committees covering finance, fabric and welfare also meet regularly and day-to-day administration is carried out by the Clerk in consultation with the Chairman, Treasurer and Chair of the Fabric Committee. There is a team of five full and part-time staff. In addition to the provision of housing, it is the policy of the Trustees to provide as much support as resources allow and a

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

response to emergencies, without impinging on the independence of the Collegians. Modest use is made of unpaid volunteers. The Collegians benefit from the services of outside voluntary organisations and those provided by Social Services and NHS Care in the Community.

The Trustees have the option of appointing a Chaplain. It was decided on the resignation of the last Chaplain, to reassign the duties of the Chaplain amongst existing staff. A review by the Trustees occurred during 2022. It is not anticipated that a Chaplain would be appointed until the new Bishop of Rochester and the new Archdeacon of Bromley and Bexley, both ex-officio Trustees, are in post.

Public Benefit

The Trustees have regard to the Charity Commission's guidance on Public Benefit. The purpose of Bromley & Sheppard's Colleges Charity is to provide sheltered housing for the benefit of poor and ageing clergy of the Church of England, their wives and widows and in certain cases, their children who have given their lives over to the care of their parents.

In serving its purpose, the Charity maintains famous and traditional buildings, dating from the 17th century onwards, with a prominent position in Bromley. The general public visit the site without charge for regular organised events, including the annual Open House. The Chapel within the Colleges is a place of public worship to which any member of the public is welcome.

Achievements and Performance

There was a total of four vacancies during the year and two flats vacant at the year end. It is policy to fill a flat as soon as possible following a vacancy and a small waiting list is maintained to facilitate this.

With the lifting of the pandemic lockdown restrictions of previous years, in 2022 regular meetings between the Collegians and the Trustees have resumed, to enable Collegians to express their views about the facilities provided and any proposed changes.

The Trustees have undertaken a review of their compliance with the Governance and Financial Viability Standard and believe they meet the required Standards as they affect an organisation of their size and nature. Overheads are strictly controlled commensurate with providing a suitable standard of accommodation and service for their tenants and the Trustees are satisfied that the Colleges continue to deliver value for money and make good use of the assets of the Colleges.

Money Metrics

In April 2018 the Regulator of Social Housing ("Regulator") introduced a set of common metrics, which each provider is required to publish each year. These metrics are considered the most appropriate set of measures to capture performance across the sector in a fair and comparable way.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Number	Metric	Value	Note
1	Reinvestment %	0	No new properties acquired or developed
2a	New supply (social housing units) %	0	No new properties acquired or developed
2b	New supply (non-social housing units) %	0	No new properties acquired or developed
3	Gearing %	(4)	Cash and cash equivalents exceed total debt
4	EBITDA MRI interest cover %	(67,789)	Very low interest charges. MRI = Major Repairs included
5	Headline Social Housing Cost £	8,224	Includes costs associated with the maintenance of a Grade 1 17 th century building
6a	Operating margin (social housing lettings) %	(26)	
6b	Operating margin (overall) %	(26)	No disposals of properties
7	Return on Capital Employed %	(4)	Negative due to deficit for the year

Review of 2022

The level of occupancy was 95.3 % (2021,95.5%) and the average age 78 years (2021, 78). The audited accounts record a deficit for the year to 31 December 2022 of £97,516. (2021, £100,906)

The Trustees have continued their policy of carrying out internal redecoration of flats when they become vacant or on a seven-year cycle, if appropriate. Historically, arrangements have provided for external areas and internal communal areas to be redecorated on a four-year cycle, and other maintenance carried out on an annual basis. However, following a review of necessary remedial work, including improvements in fire safety, an increased level of refurbishment is now in hand which will require utilisation of a significant part of the Extraordinary Repair Fund over the next two years.

Quoted investments are recognised in the Balance Sheet at Market Value.

Movements on reserves are set out in notes 17 to 20 of the financial statements. Details of the reserves are as follows:

- Under the Governing Instrument, the Trustees may make annual contributions to an Extraordinary Repair Fund. Nothing was contributed in 2022 but transfers will

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

recommence in 2023. At 31 December 2022, the Market Value of the underlying investments representing the Fund stood at £17,943 (2021, £100,436).

- Under the terms of a Charity Commission Scheme dated 23 September 1981, and continued under the 1997 Governing Instrument, the Trustees are required to contribute an annual amount of £525 to a Recoupment Fund until 23 September 2041. At 31 December 2022 £21,525 had been contributed in this way and the Market Value of the underlying investments representing the Fund was £190,543 (2021, £210,595).
- The Designated Reserve, the Charitable Fund Property Reserve, represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants. This designation arises as, in the opinion of the Trustees, these amounts do not represent free reserves of the charity.
- The free reserves are represented by the Investment Revaluation Fund, the Income and Expenditure Reserve and the Extraordinary Repair Fund. These total £523,402 at 31 December 2022 (2021, £538,615). However, the Trustees do not believe that the level of free reserves held is excessive. The Trustees recognise the need to hold free reserves to address the potential uncertainty of rental income and contributions from tenants (the risk of vacancies and a lack of tenants); and to address the risks of uncertain or unforeseen maintenance needs in listed historic buildings.

During the year, the Trustees continued to take into consideration the effect of Covid 19 on the charity. We have not experienced any difficulty in maintaining occupancy levels. Investment income and returns have not been seriously affected although we recognise they could be impacted by continuing economic uncertainties, especially the continued inflationary pressures.

Investment Policy

An Investment policy to cover all funds /holdings managed on behalf of Bromley & Sheppard's Colleges requires that Fund Managers seek to achieve a rate of return commensurate with the degree of risk and adhere to the following criteria:

Risk: Medium

Income: As high as is reasonably achievable.

Capital Growth: Desirable, but not at the expense of high income and risk, as defined above.

Excluded Investments: Companies in the arms industry.

Management Policies, Risks and Uncertainties

The Trustees regularly review the risks and uncertainties facing the charity, many of which are concerned with the upkeep of the properties, the safety of residents and visitors given the age of the properties, and the safeguarding of vulnerable adults. Specific management policies are in place to mitigate these risks and these are as follows:

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

(i) Housing Management

The housing management policy is to provide an economical, efficient and effective service to the Colleges' residents, with due consideration being given to their physical safety.

(ii) Employment, Training and Advancement of Disabled Persons

We are a small Charity with only a small administrative team. At the present time we have no disabled people in employment, but would honour our equal opportunities policy if the need arose.

(iii) Health, Safety and Welfare at Work of Employees

The Trustees recognise the importance of effective health, safety and welfare for their employees at work. Appropriate policies are in place for the protection of our staff members, the Collegians and visitors to the Colleges.

(iv) Anti-Social Behaviour Policy

The Colleges continue to operate an Anti-Social Behaviour Policy.

(v) Vulnerable Adults

The Trustees recognise the importance of maintaining a vulnerable adults policy and related procedures which are reviewed and confirmed annually.

(vi) Fire Risk Assessment Policy

The Colleges continue to operate a Fire Risk Assessment Policy.

(vii) Full Risk Assessment Policy

A Full Risk Assessment Policy is in place.

Disclosure of information to auditors

The Trustees have taken all necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

As far as the Trustees are aware, there is no relevant audit information that the charity's auditors are unaware of.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

On Behalf of the Trustees:

A handwritten signature in black ink, appearing to read 'R Collins', with a large, sweeping flourish extending from the end of the signature.

Richard Collins

Chairman

Date: 6th June, 2023

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of Bromley & Sheppard's Colleges Charity for the year ended 31 December 2022 which comprise the Summary Income and Expenditure Account, the Statement of total Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice for Registered Social Housing Providers 2018.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022, 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 Charities Act 2011; the Charity Commission Scheme dated 10 February 1997; the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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 there is 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you, if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records or returns; or

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2022

- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement, set out on page 2, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2022

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, FRS 102 SORP for Registered Social Housing Providers 2018, and the Accounting Direction for Private Registered Providers of Social Housing Housing 2019, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it may occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

The report is made solely to the charity's trustees, as a body, in accordance with regulations in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP.

Betchworth House
57-65 Station Road
Redhill
Surrey, RH1 1DL

James Saunders (Senior Statutory Auditor)
for and on behalf of
Moore Kingston Smith LLP
Chartered Accountants
Statutory Auditor

Date: 9 June 2023

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022	2021
		£	£
Turnover	2	319,989	310,144
Other income	4	49,615	31,541
Less: operating costs	3	(425,853)	(569,932)
Operating deficit		(56,249)	(228,247)
Interest receivable and investment income	5b	16,286	32,942
Unrealised gain/ (loss) on investments	11	(57,553)	94,399
Deficit and total comprehensive income for the year		<u><u>(97,516)</u></u>	<u><u>(100,906)</u></u>

These financial statements were approved by the board of Trustees on 6 June 2023 and signed on its behalf by:



R. Collins
Trustee



D. Thomas
Trustee

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Charitable Fund Property Reserve £	Extraordinary Repair Fund £	Investment Revaluation Fund £	Income and Expenditure Account £	Recoupment Fund £	Total £
Balance at 1 January 2021		318,189	288,328	345,891	32,993	179,904	1,165,305
Surplus from Income & Expenditure Account		-	-	-	(100,906)	-	(100,906)
Actuarial gain on pension scheme	7	-	-	-	3,000	-	3,000
Transfers		-	(187,892)	289,965	(132,764)	30,691	-
Balance at 31 December 2021		<u>318,189</u>	<u>100,436</u>	<u>635,856</u>	<u>(197,677)</u>	<u>210,595</u>	<u>1,067,399</u>
Surplus from Income & Expenditure Account		-	-	-	(97,516)	-	(97,516)
Actuarial gain on pension scheme	7	-	-	-	-	-	-
Transfers		(62,251)	(82,493)	63,215	101,581	(20,052)	-
Balance at 31 December 2022		<u><u>255,938</u></u>	<u><u>17,943</u></u>	<u><u>699,071</u></u>	<u><u>(193,612)</u></u>	<u><u>190,543</u></u>	<u><u>969,883</u></u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2022

		2022		2021	
	Note	£	£	£	£
Fixed Assets					
Tangible fixed assets	10		785,226		815,637
Investments	11		<u>707,763</u>		<u>846,726</u>
			1,492,989		1,662,363
Current Assets					
Debtors	12	35,494		30,958	
Cash and cash equivalents	13	<u>80,419</u>		<u>53,193</u>	
		115,913		84,151	
Creditors: Amounts falling due within one year	14	<u>(88,776)</u>		<u>(98,797)</u>	
Net Current (Liabilities)/ Assets			<u>27,137</u>		<u>(14,646)</u>
Total Assets Less Current Liabilities			1,520,126		1,647,717
Creditors: Amounts falling due after more than one year	15		(550,243)		(580,318)
Net assets			<u><u>969,883</u></u>		<u><u>1,067,399</u></u>
Reserves and Special Funds					
Designated Reserves	17		255,938		318,189
Extraordinary Repair Fund	19		17,943		100,436
Investment Revaluation Fund	20		699,071		635,856
Income and Expenditure Account			(193,612)		(197,677)
Special Funds	18		<u>190,543</u>		<u>210,595</u>
			<u><u>969,883</u></u>		<u><u>1,067,399</u></u>

These financial statements were approved by the board of Trustees on 6 June 2023 and signed on its behalf by:



R. Collins

Trustees



D. Thomas

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash generated from operating activities:			
Net cash absorbed by operating activities	see below	(39,261)	(199,227)
Cash flows from investing activities:			
Purchase of investments	11	(525)	(43,982)
Proceeds on disposal of investments	11	75,569	260,596
Net cash provided by/ (used in) investing activities		75,044	216,614
Cash flows from financing activities:			
Cash inflow from new loan	14,15	-	-
Repayment of capital element of loan	14,15	(5,312)	(5,312)
Net cash provided by/ (used in) financing activities		(5,312)	(5,312)
Change in cash and cash equivalents in the reporting period		27,226	12,075
Cash and cash equivalents at the beginning of the reporting period		53,193	41,118
Cash and cash equivalents at the end of the reporting period	13	80,419	53,193
Reconciliation of net surplus to net cash flow from operating activities			
		2022 £	2021 £
Net (deficit)/ surplus (per the income and expenditure account)		(97,516)	(100,906)
Adjustments for:			
Depreciation charges	10	30,411	30,411
Release of deferred capital grant	16	(21,518)	(21,518)
Gain on disposal of investments	11	6,366	(13,104)
Unrealised (gain)/ loss on investments	11	57,553	(94,399)
Pension deficit contributions paid	7	-	(1,000)
Decrease in debtors	12	(4,536)	5,037
(Decrease) / increase in creditors	14,15	(10,021)	(3,748)
Net cash (used in)/ provided by operating activities		(39,261)	(199,227)

	At 1 Jan 2022	Cash flows	Other non-cash changes	At 31 Dec 2022
Cash and cash equivalents	53,193	27,226	-	80,419
Loans due within one year	(8,558)	8,150	(8,558)	(8,966)
Loans due in more than one year	(51,030)	-	5,720	(45,310)
Net cash/(net debt)	(6,395)	35,376	(2,838)	26,143

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies

The association is a Registered Social Landlord registered under the Charities Act 2011. The registered address is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Bromley & Sheppard's Colleges Charity includes FRS 102 and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Bromley & Sheppard's Colleges Charity is a public benefit entity in accordance with FRS 102.

The financial statements are presented in Sterling (£), which is the financial currency of the charity. Monetary amounts in these financial statements are rounded to whole pounds.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

The following principal accounting policies have been applied:

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting, modified to include certain financial instruments at fair value.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections. There has been no difficulty maintaining occupancy levels throughout 2022, and investment income and returns have not been seriously affected. The trustees do not expect much change in these conditions and after making enquiries they have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and meet its liabilities as they fall due, and that there are no material uncertainties about the charity's ability to continue as a going concern. Accordingly, these financial statements have been prepared on the going concern basis.

Turnover

Turnover represents maintenance, central heating, service contributions, Treasurer's house rent and lodge & basement rent receivable.

Housing Properties

The old quadrangle of Bromley College was constructed between 1670 and 1672 and the new quadrangle was constructed between 1782 and 1805. Sheppard's College was constructed around 1840. Although amounts contributed towards the cost of construction of Bromley College are known, there is no reliable record of the construction costs of either Bromley College or Sheppard's College. The housing properties' costs relate to modernisation costs carried out in the mid 1970's on Bromley College and between 1984 and 1986 on Sheppard's College, which were funded by Social Housing Grants (SHG), grants from the Historic Buildings Council, mortgage loans from the Greater London Council and the Housing Corporation and from Bromley and Sheppard's Colleges own resources.

Housing properties are stated at cost less depreciation. Depreciation is charged on the following basis:

Building costs	100 years straight line
Capitalised professional fees, finance charges and equipment	100 years straight line
Chaplain's House	100 years straight line
Lift to common room	30 years straight line
Kitchens and bathrooms	30 years straight line
Pipe lagging and loft insulation	30 years straight line

Other Assets

Other assets are written off to the Income and Expenditure Account in the year in which they are acquired.

Investments

Investments are stated at market value.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies (cont'd)

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Recoverable amount of rental receivables

The charity estimates the recoverable value of rental receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair, it reviews the age profile of the debt, historical collection rates, and the personal circumstances of the debtor.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks.

Deferred capital grants

Social Housing Grants (SHG's) were paid by Homes England to reduce the cost of development. The SHG's are repayable under certain circumstances, primarily the sale of a property but will normally be restricted to the net proceeds of the sale.

In applying this model, such grants have been presented as deferred income to be recognised over the expected life of the underlying asset.

Cyclical Repairs and Maintenance

Bromley & Sheppard's Colleges has established a regular programme of cyclical repairs and maintenance. Costs are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repairs

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repair Fund

This fund, previously maintained out of the income of the charity, is established to provide for the extraordinary repair, improvement or rebuilding of the college buildings. From 1999 this is shown as a transfer from General Reserves.

Charitable Fund Property Reserve

This represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants.

Value Added Tax

Bromley & Sheppard's Colleges Charity is not registered for Value Added Tax. In these accounts, where applicable, expenditure is shown inclusive of VAT.

Apportionment of Management Expenses

Finance and administration costs are apportioned between management and service costs based on the estimated amount of time spent by individual staff members on management and services.

Pension Costs

There are currently no employees on the multi-employer defined pension scheme. As information is not available to use defined benefit accounting in accordance with the requirements of FRS 102, the charity accounts for these payments as if it was a defined contribution scheme.

The charity's contribution to this scheme is recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

The charity also recognises its liability in respect of deficit reduction arrangements of the multi-employer defined pension scheme.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies (cont'd)

Special Funds

The sum of £525 is transferred each year to the Recoupment Fund which is invested to recoup the proceeds from the sale of the land which has been utilised in modernisation of the colleges. From 1999 this transfer is made from General Reserves.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, key judgements were made in respect of the following:

- The expected useful life of fixed assets: the assets were broken down into components, and the useful economic life of each component has been assessed. During this assessment, the trustees considered the nature of the underlying assets acquired, the historic nature of the buildings, and the on-going programme of repair and maintenance.
- The amortisation period of the deferred capital grants: the grants were split into separate amounts, each of which relate directly to an underlying component of fixed asset. The amortisation of the grants then follow the useful economic life of the underlying asset.
- The Trustees' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined expenses (as analysed in Note 7). The net defined benefit pension liability at 31 December 2022 was £nil.

2. Turnover From Lettings

	2022	2021
	£	£
Maintenance contributions from residents	250,451	234,130
Central heating charges	48,152	47,985
Treasurer's house	16,272	16,272
Lodge rent	12,475	12,475
Parking donations	3,394	8,045
Storage areas and guest flats	10,155	3,750
	<u>340,899</u>	<u>322,657</u>
Less: Losses from voids	(20,910)	(12,513)
	<u><u>319,989</u></u>	<u><u>310,144</u></u>

The number of units of social housing accommodation in use during the year was 39 (2021 - 41) and all relates to Social rent for General Needs Housing .

3. Operating Costs from Lettings

	2022		2021	
	£	£	£	£
<u>Services</u>				
Salaries	16,222		25,008	
General and water rates	15,082		11,056	
Insurance	17,635		16,772	
Gas and electricity	43,697		16,180	
Ground works	13,094		13,226	
Other direct costs	<u>281</u>		<u>1,308</u>	
		106,011		83,550
<u>Management</u>				
Fees and salaries	-		9,493	
Audit and accountancy charges	20,324		19,000	
Bank charges	111		3,369	
Legal and professional fees	6,485		11,772	
Architect's and suveyor's fees	<u>-</u>		<u>12,830</u>	
		26,920		56,464

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Operating Costs from Lettings (Cont'd)

Maintenance

Day to day	41,440	77,589
Maintenance officers salary	23,076	27,323
Cyclical Maintenance	49,032	106,246
Extraordinary	90,699	127,032
	<u>204,247</u>	<u>338,190</u>
Operating costs from lettings	337,178	478,204
Other operating costs (note 5a)	88,675	91,728
Total operating costs	<u>425,853</u>	<u>569,932</u>

Summary of Income and Expenditure from lettings

Turnover (note 2)	319,989	310,144
Operating costs from lettings - as above	(337,178)	(478,204)
Deficit	<u>(17,189)</u>	<u>(168,060)</u>

4. Other Income

2022

2021

	£	£
Sundry donations	11,695	10,023
Legacies	16,402	-
Release of deferred capital grant (note 16)	21,518	21,518
	<u>49,615</u>	<u>31,541</u>

5a. Other operating costs

2022

2021

	£	£
Salaries	43,284	42,105
Telephone, postage and stationery	2,257	3,499
Computer supplies and support	2,124	2,465
Founders Day and functions	494	1,573
Office sundries	2,274	1,425
Chapel sundries	1,074	3,884
Donations	5,595	2,210
Chaplain's discretionary & Common room	-	80
Chaplain's removal and recruitment costs	-	3,227
Housekeeping and TV	1,162	849
Depreciation	30,411	30,411
	<u>88,675</u>	<u>91,728</u>

5b. Interest receivable and similar income

2022

2021

	£	£
Bank interest received	207	9
Gain/ (loss) on disposal of investments	(6,366)	13,104
Investment income	22,445	19,829
	<u>16,286</u>	<u>32,942</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Officers and senior executives emoluments

	2022	2021
	£	£
Emoluments	32,256	21,072
Pensions	741	2,621
	<u>32,997</u>	<u>23,693</u>
Highest paid senior executive	<u>32,997</u>	<u>23,693</u>

Under FRS102, officers and senior executives emoluments includes the emoluments of key management personnel. During 2022 there was one employee who served as a member of key management personnel.

No employees earned more than £60,000 during the year. The Trustees received reimbursed expenses £nil (2021 - £nil) in the year.

Trustee indemnity insurance was effected during the year for which the charity paid a premium of £665 (2021: £665).

There are no current members of the Church of England Funded Pension Scheme.

During the year, the aggregate compensation for loss of office of key management personnel was £nil (2021 - £nil).

7. Employee information

	2022	2021
	£	£
Staff costs during the year were :-		
Wages and salaries	79,812	92,114
Social security costs	1,651	2,332
Pension costs	1,120	6,484
	<u>82,583</u>	<u>100,930</u>

The average number of employees during the year was 5 (2021: 6).

Church of England Funded Pensions Scheme

Bromley & Sheppard's Colleges Charity participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme was a defined contribution scheme. The pension costs charged to the Statement of Comprehensive Income in the year are contributions payable towards benefits and accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.; and
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI 2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Employee information (Cont'd)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions payable (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to 31 December 2020	January 2021 to 31 December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the scheme rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the Balance Sheet liability is set out in the table below.

	2022 £	2021 £
Balance sheet liability at 1 January	-	4,000
Deficit contribution paid	-	(1,000)
Remaining change to the balance sheet liability*	-	(3,000)
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2022, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2022	December 2021
Discount rate	0.00%	0.00%
Price inflation	n/a	n/a
Increase to total pensionable payroll	-1.5%	-1.5%

The legal structure of the scheme is such that if another Responsible Body fails, Bromley & Sheppard's Colleges could become responsible for paying a share of that Responsible Body's pension liabilities.

When a Minor Responsible Body's last active member leaves service, under a legal agreement in force, the CEFPS pension liabilities which would otherwise have been attributed to the Minor Responsible Body are instead apportioned on a pro rata basis to all the Major Responsible Bodies.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Operating (deficit)/ surplus	2022	2021
	£	£
is stated after charging :-		
Amounts payable to auditors:		
Audit services	<u>11,760</u>	<u>10,800</u>

- 9. Taxation**
Bromley & Sheppard's Colleges Charity is a registered charity, and is exempt for liability to taxation on its income and capital gains.

10. Housing Properties

	Bromley College £	Sheppard's College £	Total £
Cost			
At 1 January 2022 and 31 December 2022	<u>1,191,019</u>	<u>336,699</u>	<u>1,527,718</u>
Depreciation			
At 1 January 2022	556,115	155,966	712,081
Charge for the year	<u>24,353</u>	<u>6,058</u>	<u>30,411</u>
At 31 December 2022	<u>580,468</u>	<u>162,024</u>	<u>742,492</u>
Net book value carried forward			
At 31 December 2022	<u>610,551</u>	<u>174,675</u>	<u>785,226</u>
Net book value brought forward			
At 31 December 2021	<u>634,904</u>	<u>180,733</u>	<u>815,637</u>

The original cost of the land and buildings is not known and no value is attributed thereon. A valuation was provided in 2004 by Peter L. Coling, FRICS, of Kinleigh Folkard & Hayward, Chartered Surveyors of Leonard House, 7 Newman Road, Bromley BR1 1RJ, stating "As of October 2004 I value all the properties known as, and comprising, Bromley and Sheppard's Colleges on the basis of the existing use and with vacant possession, in the sum of £10,920,000 (ten million nine hundred and twenty thousand pounds)".

The above are all completed housing properties.

11. Investments	2022	2021
	£	£
Quoted investments		
Market value at 1 January 2022	846,726	955,837
Sales proceeds	(75,569)	(260,596)
	<u>771,157</u>	<u>695,241</u>
Additions at cost	<u>525</u>	<u>43,982</u>
	<u>771,682</u>	<u>739,223</u>
Realised gain/(loss) on value of investments	(6,366)	13,104
Unrealised gain/(loss) on value of investments	<u>(57,553)</u>	<u>94,399</u>
Market value at 31 December 2022	<u>707,763</u>	<u>846,726</u>
Historic cost at 31 December 2022	<u>453,082</u>	<u>513,143</u>

All are UK investments apart from £339,003 (2021: £533,578) relating to overseas investments.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Debtors	2022	2021
	£	£
Maintenance contributions, central heating and service		
Charges receivable	24,019	20,540
Income Tax recoverable	739	885
Other debtors and prepayments	10,736	9,533
	<u>35,494</u>	<u>35,995</u>
13. Cash and cash equivalents	2022	2021
	£	£
Bank current and deposit accounts	80,045	52,814
Church of England Finance Board deposit funds	-	37
Cash in Hand	374	342
	<u>80,419</u>	<u>53,193</u>
14. Creditors: Amounts falling due within one year	2022	2021
	£	£
Trade creditors	-	16,742
Almshouse Association loans	8,558	8,558
Tax and social security	761	944
Accruals	57,939	51,035
	<u>67,258</u>	<u>77,279</u>
Deferred capital grant (note 16)	21,518	21,518
Total	<u>88,776</u>	<u>98,797</u>
15. Creditors: Amounts falling due after more than one year	2022	2021
	£	£
Deferred capital grant (note 16)	507,770	529,288
Almshouse Association loans	42,473	51,030
	<u>550,243</u>	<u>580,318</u>
	2022	2021
Analysis of loans:		
Repayable within one year	8,558	8,558
Repayable in two to five years	34,230	34,230
Repayable in more than five years	8,242	16,800
	<u>51,030</u>	<u>59,588</u>
The Almshouse loan are unsecured interest free loans, repayable over 10 years in 20 six monthly instalments. As the loan is interest free, the charity is not impacted by the Interest Rate Benchmark Reform.		
16. Deferred capital grants	2022	2021
	£	£
At 1 January	550,806	572,324
Released to income during the year	(21,518)	(21,518)
At 31 December	<u>529,288</u>	<u>550,806</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Deferred capital grants (continued)

	2022	2021
	£	£
Analysis of grants:		
Deferral within one year	21,518	21,518
Deferral in two to five years	86,072	86,072
Deferral in more than five years	421,698	443,216
	<u>529,288</u>	<u>550,806</u>

17. Designated Reserves

Charitable Fund Property Reserve	2022	2021
	£	£
Balance at 1 January	318,189	318,189
Transfer to Income & Expenditure Account	(62,251)	-
Balance at 31 December	<u>255,938</u>	<u>318,189</u>

18. Special Funds

	2022	2021
	£	£
Recoupment Fund		
Balance at 1 January	210,595	179,904
Transfer from Income & Expenditure Account	525	525
Transfer from/(to) Investment Revaluation Fund	(20,577)	30,166
Balance at 31 December	<u>190,543</u>	<u>210,595</u>

The Recoupment Fund is represented by a specific COIF investment with a market value equal to the fund balance.

19. Extraordinary Repair Fund

	2022	2021
	£	£
Balance at 1 January	100,436	288,328
Transfer from Income & Expenditure Account	-	-
Transfer from/(to) Investment Revaluation Reserve	(82,493)	(187,892)
Balance at 31 December	<u>17,943</u>	<u>100,436</u>

20. Investment Revaluation Fund

	2022	2021
	£	£
As at 1 January	635,856	345,891
Transfers from Income & Expenditure Account:		
Unrealised losses from past periods	-	-
Now realised on disposals of investments	18,471	37,840
Unrealised gains/(losses) in the current year	(58,326)	94,399
Transfer (to)/from Recoupment Fund	20,577	(30,166)
Transfer (to)/from Extraordinary Repair Fund	82,493	187,892
As at 31 December	<u>699,071</u>	<u>635,856</u>

21. Associated Funds

The Collegian Chaplain's Fund is a separate fund operated by the Collegians. It is not under the control of the Trustees and is not incorporated in these financial statements.

22. Contingent Liabilities

There were no contingent liabilities at 31 December 2022.

Accounts

BROMLEY & SHEPPARD'S COLLEGES CHARITY
Registered Charity Number 210337
Registered Social Landlord Number A0352

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2021

BROMLEY & SHEPPARD'S COLLEGES CHARITY INDEX

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BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report together with the audited financial statements for the year ended 31 December 2021.

Legal and Administrative Information

The charity is registered in the name of Bromley & Sheppard's Colleges Charity.

The charity's governing instrument is a Charity Commission Scheme Ref. CD (Ldn), 210337/15863 which was sealed on 10 February 1997 and amended on 24 May 2004 to enable the acquisition of Trustee Indemnity Insurance. It was further amended on 26 March 2007 to incorporate Powers of Amendment, the requirement to appoint two elected Collegian Trustees and the facility to appoint non-voting Trustee Advisers where appropriate. A further amendment on 5 December 2018 altered the age eligibility of Co-opted Trustees.

The Charity is also a Registered Social Landlord with number A0352 and a member of The Almshouse Association, registered number 415.

The Trustees are incorporated by means of Certificate of Incorporation issued by the Charity Commission under Section 50 of the Charities Act 1993. The Certificate reference is 325/94, which was sealed on 14 July 1994.

The Trustee body consists of no more than eighteen persons who meet quarterly, to include six Ex-Officio Trustees, not fewer than seven and not more than ten Co-opted Trustees and two Collegian Trustees. The Ex-Officio Trustees have the power to appoint Deputies.

The Ex-Officio Trustees are the holders, for the time being, of the following appointments:

The Archbishop of Canterbury

The Bishop of London

The Bishop of Rochester

The Chancellor of the Diocese of Rochester

The Dean of St Paul's

The Archdeacon of Bromley and Bexley

The Co-Opted Trustees:

Mr Richard Collins (Chairman)

Mr Tony Bentley

Mrs Tina Hill

Mr James Pearson (resigned May 2021)

Mr Christopher Scott

Mrs Lynda Stimson

Mr John Thorogood

Appointed Deputies:

Cllr Peter Morgan FRICS MCIArb (for the Dean of St Paul's)

Mr Derek Shilling (for the Bishop of London)

Collegian Trustees:

Miss Kathleen Craig

The Revd. George Baisley (appointed March 2021)

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Chaplain and Clerk to the Trustees:

The Revd. Jane Kustner (resigned 31st August 2021)

Clerk to the Trustees:

Mrs Jo Frost (appointed 9th February 2022)

Trustees' Advisers:

Mr Graham Bradshaw (appointed 9th February 2022)

Mr Martin Lee-Warner

Mr Adrian Tutchings FRICS

Miss Susan Gilder

The registered office of the Charity is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The Charity's bankers and professional advisers are as follows:-

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Santander Bank
Bootle
Merseyside L30 4GB

Auditors

Moore Kingston Smith LLP
Betchworth House
57-65 Station Road
Redhill
Surrey RH1 1DL

Stockbrokers/Investment Advisers

Brewin Dolphin Securities Limited
12, Smithfield Street,
London. EC1A 9BD.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Charity law and Housing Association legislation require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- satisfy themselves on an annual basis that they are compliant with the Governance and Financial Viability Standard issued by the Homes & Communities Agency

The Trustees are responsible for maintaining an adequate system of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the accounting requirements of the Charity Commission Schemes dated 10 February 1997 and 24 May 2004, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Selection and Induction of Trustees

In selecting new Trustees, the primary aim of the existing Trustees is to find people who not only have an interest in the Colleges but also have the knowledge and experience to contribute to or complement the range of skills required to make up an effective Trustee team. Such people are likely to have knowledge of one or more of the legal, financial, social services, health, housing or local and national government fields.

The Trustees regularly assess whether they and those they employ have the right competencies, experience and technical knowledge appropriate to the size, scale and risk profile of the organisation together with the need for further training or succession planning.

Induction programmes include sessions with the Chairman and the Clerk to the Trustees and opportunities to meet the Collegians. Because of the experience required, appointees may already have held other trusteeships but where this is not the case they will also be given briefing on the duties of Trustees.

All Trustees have the opportunity to attend training sessions provided by the Almshouses Association and other relevant bodies.

Historical Background

Bromley College was founded in 1666 by the Will of John Warner, Bishop of Rochester. The first buildings – 20 houses, a chapel, and houses for a Chaplain and a Treasurer - were authorised by Act of Parliament in 1670.

The accommodation was to provide housing for "*Twenty poore widowes of orthodoxe and loyall clergiemen*". Twenty more houses were constructed between 1794 and 1805 funded by substantial gifts.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Sheppard's College was founded in 1840 from gifts of Mrs Sheppard, widow of Dr Thomas Sheppard, a Fellow of Magdalen College, Oxford, to make similar provision for the unmarried daughters who had lived with their mothers.

Major modernisation and re-ordering of the buildings took place in the 1970's and 1980's, and again more recently in 2005 to 2007.

Both Colleges are listed buildings: Bromley College - Grade I, Sheppard's College - Grade II*.

Beneficiaries

Charity Commission Schemes in 1974, 1981 and 1997 extended the classes of beneficiary. These now include all retired Clerks in Holy Orders (male and female) of the Churches of England and Ireland, the Church in Wales and the Scottish Episcopal Church and their spouses, together with divorced and separated spouses of such Clerks and unmarried daughters and step-daughters of former Collegians.

Objects and Administration of the Charity

As indicated above, the Charity exists to provide sheltered housing for the beneficiaries as defined in the Governing Instrument. Currently there are forty Collegians' dwellings, one guest flat and two staff dwellings. In addition, there are two separate dwellings which are let on an open market basis.

The Colleges are administered by the Trustees through the permanent members of staff. The Trustees meet at least four times each year and determine overall policy. Sub committees covering finance, fabric and welfare also meet regularly and day-to-day administration is carried out by the Clerk in consultation with the Chairman, Treasurer and Chair of the Fabric Committee. There is a team of five full and part-time staff. In addition to the provision of housing, it is the policy of the Trustees to provide as much support as resources allow and a response to emergencies, without impinging on the independence of the Collegians. Modest use is made of unpaid volunteers. The Collegians benefit from the services of outside voluntary organisations and those provided by Social Services and NHS Care in the Community.

The Trustees have the option of appointing a Chaplain. It was decided on the resignation of the last Chaplain, to reassign the duties of the Chaplain amongst existing staff. A review by the Trustees will occur during 2022. It is not anticipated that a Chaplain would be appointed until the new Bishop of Rochester and the new Archdeacon of Bromley and Bexley, both ex-officio Trustees, are in situ.

Public Benefit

The Trustees have referred to the guidance in the Charity Commission general guidance on Public Benefit. Bromley & Sheppard's Colleges Charity exists for the benefit of poor and aging clergy of the Church of England, their wives and widows and in certain cases, their children who have given their lives over to the care of their parents.

Although non-profit making, the Trust ensures that the famous and traditional 17th century buildings are maintained for the benefit of the general public who visit the site on regular occasions, free of charge. The Chapel is a place of public worship to which any member of the public is welcome.

Achievements and Performance

There was a total of 5 vacancies during the year and three flats vacant at the year end. It is policy to fill a flat as soon as possible following a vacancy and a small waiting list is maintained to facilitate this. The increase in voids in 2020 and 2021 was due to greater refurbishment of the flats and not the availability of new occupants.

With the lifting of lockdown restrictions, there are now regular meetings between the Collegians and the Trustees to enable Collegians to express their views about the facilities provided and any proposed changes.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees have undertaken a review of their compliance with the Governance and Financial Viability Standard and believe they meet the required Standards as they affect an organisation of their size and nature. Overheads are strictly controlled commensurate with providing a suitable standard of accommodation and service for their tenants and the Trustees are satisfied that the Colleges continue to deliver value for money and make good use of the assets of the Colleges.

Money Metrics:

In April 2018 the Regulator of Social Housing ("Regulator") introduced a set of common metrics, which each provider is required to publish each year. These metrics are considered the most appropriate set of measures to capture performance across the sector in a fair and comparable way.

Number	Metric	Value	Note
1	Reinvestment %		No new properties acquired or developed
2a	New supply (social housing units) %	0	No new properties acquired or developed
2b	New supply (non-social housing units) %	0	No new properties acquired or developed
3	Gearing %	1	Cash and cash equivalents exceed total debt
4	EBITDA MRI interest cover %	(6,808)	Very low interest charges. MRI = Major Repairs included.
5	Headline Social Housing Cost £	11,664	Includes costs associated with the maintenance of a Grade 1 17 th century building
6a	Operating margin (social housing lettings) %	(77)	
6b	Operating margin (overall) %	(77)	No disposals of properties
7	Return on Capital Employed %	(12)	Negative due to deficit for the year

Review of 2021

The level of occupancy was 95.5 % (2020– 94.4%) and the average age 78 years (2020 – 78).

The audited accounts record a deficit for the year to 31 December 2021 of £100,906. (2019, £268,683)

The Trustees have continued their policy of carrying out internal redecoration of flats when they become vacant or on a seven-year cycle, if appropriate. Historically, arrangements have provided for external areas and internal communal areas to be redecorated on a four-year cycle, and other maintenance carried out on an annual basis. However, following a review of necessary remedial work, including improvements in fire safety, an increased level of refurbishment is now in hand which will require utilisation of a significant part of the Extraordinary Repair Fund over the next two years.

Quoted investments are recognised in the Balance Sheet at Market Value.

Movements on reserves are set out in notes 17 to 20 of the financial statements. Details of the reserves are as follows:

Under the Governing Instrument, the Trustees are required to make an annual contribution to an Extraordinary Repair Fund. Nothing was contributed in 2021 but transfers will recommence in 2022. At 31 December 2021, the Market Value of the underlying investments representing the Fund stood at £100,436 (2020, £288,328).

Under the terms of a Charity Commission Scheme dated 23 September 1981, and continued under the 1997

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Governing Instrument, the Trustees are required to contribute an annual amount of £525 to a Recoupment Fund until 23 September 2041. At 31 December 2021 £21,000 had been contributed in this way and the Market Value of the underlying investments representing the Fund was £210,595 (2020, £179,904).

The Designated Reserve, the Charitable Fund Property Reserve, represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants. This designation arises as, in the opinion of the Trustees, these amounts do not represent free reserves of the charity.

The free reserves are represented by the Investment Revaluation Fund and the Income and Expenditure Reserve which total £438,179 at 31 December 2021 (2020, £378,884). However, the Trustees do not believe that the level of free reserves held is excessive in the context of the need to maintain listed buildings estimated to be worth approximately £11 million.

During the year, the Trustees have reviewed the level of reserves taking into account the nature of the income which could fall in the event of insufficient tenants and the level of maintenance and unexpected expenditure that occupation of a Grade 1, seventeenth century building may require. They believe they should seek to hold a free reserve of the order of one year's rental in respect of the first of approximately £225,000, and a further sum of not less than £200,000 to cover building needs in addition to the extraordinary and recoupment fund reserves.

The Trustees continued to take into consideration the effect of Covid 19 on the charity. We have not experienced any difficulty in maintaining occupancy levels. Investment income and returns have not been seriously affected although we recognise they could be impacted by continuing economic uncertainties.

Investment Policy

An Investment policy to cover all funds /holdings managed on behalf of Bromley & Sheppard's Colleges requires that Fund Managers seek to achieve a rate of return commensurate with the degree of risk and adhere to the following criteria:

Risk: Medium

Income: As high as is reasonably achievable.

Capital Growth: Desirable, but not at the expense of high income and risk, as defined above.

Excluded Investments: Companies in the arms industry.

Management Policies, Risks and Uncertainties

The Trustees regularly review the risks and uncertainties facing the charity, many of which are concerned with the upkeep of the properties, the safety of residents and visitors given the age of the properties, and the safeguarding of vulnerable adults. Specific management policies are in place to mitigate these risks and these are as follows:

(i) Housing Management

The housing management policy is to provide an economical, efficient and effective service to the Colleges' residents, with due consideration being given to their physical safety.

(ii) Employment, Training and Advancement of Disabled Persons

We are a small Charity with only a small administrative team. At the present time we have no disabled people in employment, but would honour our equal opportunities policy if the need arose.

(iii) Health, Safety and Welfare at Work of Employees

The Trustees recognise the importance of effective health, safety and welfare for their employees at work.

Appropriate policies are in place for the protection of our staff members, the Collegians and visitors to the Colleges.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

- (iv) Anti-Social Behaviour Policy
The Colleges continue to operate an Anti-Social Behaviour Policy.
- (v) Vulnerable Adults
The Trustees recognise the importance of maintaining a vulnerable adults policy and related procedures which are reviewed and confirmed annually.
- (vi) Fire Risk Assessment Policy
The Colleges continue to operate a Fire Risk Assessment Policy.
- (vii) Full Risk Assessment Policy
A Full Risk Assessment Policy is in place.
- v) Vulnerable Adults
The Trustees recognise the importance of maintaining a vulnerable adults policy and related procedures which are reviewed and confirmed annually.
- (vi) Fire Risk Assessment Policy
The Colleges continue to operate a Fire Risk Assessment Policy.
- (vii) Full Risk Assessment Policy
A Full Risk Assessment Policy is in place.

On Behalf of the Trustees:



Richard Collins
Chairman

Date: *4th May* 2022

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of Bromley & Sheppard's Colleges Charity for the year ended 31 December 2021 which comprise the Summary Income and Expenditure Account, the Statement of total Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice for Registered Social Housing Providers 2018.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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 Charities Act 2011; the Charity Commission Scheme dated 10 February 1997; the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express

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 there is 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you, if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records or returns; or

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2021**

- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement, set out on page 2, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2021**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, FRS 102 SORP for Registered Social Housing Providers 2018, and the Accounting Direction for Private Registered Providers of Social Housing 2019, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it may occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

The report is made solely to the charity's trustees, as a body, in accordance with regulations in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



James Saunders (Senior Statutory Auditor)
for and on behalf of
Moore Kingston Smith LLP
Chartered Accountants

Betchworth House
57-65 Station Road
Redhill
Surrey, RH1 1DL

Date: 17 May 2022

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021	2020
		£	£
Turnover	2	310,144	319,003
Other income	4	31,541	30,128
Less: operating costs	3	(569,932)	(628,121)
Operating deficit		(228,247)	(278,990)
Interest receivable and investment income	5b	32,942	21,332
Unrealised gain/ (loss) on investments	11	94,399	(11,025)
Deficit and total comprehensive income for the year		(100,906)	(268,683)

These financial statements were approved by the board of Trustees on
and signed on its behalf by:

 4/5/2022
 R. Collins
 Trustee

 4/5/2022
 D. Shilling
 Trustee

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Charitable Fund Property Reserve £	Extraordinary Repair Fund £	Investment Revaluation Fund £	Income and Expenditure Account £	Recoupment Fund £	Total £
Balance at 1 January 2020		318,189	371,610	271,546	309,610	164,033	1,434,988
Surplus from Income & Expenditure Account		-	-	-	(268,683)	-	(268,683)
Actuarial gain on pension scheme	7	-	-	-	(1,000)	-	(1,000)
Transfers		-	(83,282)	74,345	(6,934)	15,871	-
Balance at 31 December 2020		<u>318,189</u>	<u>288,328</u>	<u>345,891</u>	<u>32,993</u>	<u>179,904</u>	<u>1,165,305</u>
Surplus from Income & Expenditure Account		-	-	-	(100,906)	-	(100,906)
Actuarial gain on pension scheme	7	-	-	-	3,000	-	3,000
Transfers		-	(187,892)	289,965	(132,764)	30,691	-
Balance at 31 December 2021		<u><u>318,189</u></u>	<u><u>100,436</u></u>	<u><u>635,856</u></u>	<u><u>(197,677)</u></u>	<u><u>210,595</u></u>	<u><u>1,067,399</u></u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2021

		2021	2020
	Note	£	£
Fixed Assets			
Tangible fixed assets	10	815,637	846,048
Investments	11	846,726	955,837
		<u>1,662,363</u>	<u>1,801,885</u>
Current Assets			
Debtors	12	30,958	35,995
Cash and cash equivalents	13	53,193	41,118
		<u>84,151</u>	<u>77,113</u>
Creditors: Amounts falling due within one year	14	<u>(98,797)</u>	<u>(102,137)</u>
Net Current (Liabilities)/ Assets		<u>(14,646)</u>	<u>(25,024)</u>
Total Assets Less Current Liabilities		<u>1,647,717</u>	<u>1,776,861</u>
Creditors: Amounts falling due after more than one year	15	(580,318)	(611,556)
Net assets		<u><u>1,067,399</u></u>	<u><u>1,165,305</u></u>
Reserves and Special Funds			
Designated Reserves	17	318,189	318,189
Extraordinary Repair Fund	19	100,436	288,328
Investment Revaluation Fund	20	635,856	345,891
Income and Expenditure Account		(197,677)	32,993
Special Funds	18	210,595	179,904
		<u><u>1,067,399</u></u>	<u><u>1,165,305</u></u>

These financial statements were approved by the board of Trustees on
and signed on its behalf by:

 4/5/2022
R. Collins

 4/05/2022
D. Shilling
Trustee

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash generated from operating activities:			
Net cash absorbed by operating activities	see below	(199,227)	(199,095)
Cash flows from investing activities:			
Purchase of investments	11	(43,982)	(135,683)
Proceeds on disposal of investments	11	260,596	230,359
Net cash provided by/ (used in) investing activities		216,614	94,676
Cash flows from financing activities:			
Cash inflow from new loan	14,15	-	40,000
Repayment of capital element of loan	14,15	(5,312)	(4,150)
Net cash provided by/ (used in) financing activities		(5,312)	35,850
Change in cash and cash equivalents in the reporting period		12,075	(68,569)
Cash and cash equivalents at the beginning of the reporting period		41,118	109,687
Cash and cash equivalents at the end of the reporting period	13	53,193	41,118

Reconciliation of net surplus to net cash flow from operating activities

		2021 £	2020 £
Net (deficit)/ surplus (per the income and expenditure account)		(100,906)	(268,683)
Adjustments for:			
Depreciation charges	10	30,411	30,411
Release of deferred capital grant	16	(21,518)	(21,518)
Gain on disposal of investments	11	(13,104)	(53)
Unrealised (gain)/ loss on investments	11	(94,399)	11,025
Pension deficit contributions paid	7	(1,000)	(3,000)
Decrease in debtors	12	5,037	247
(Decrease) / increase in creditors	14,15	(3,748)	52,476
Net cash (used in)/ provided by operating activities		(199,227)	(199,095)

	At 1 Jan 2021	Cash flows	Other non-cash changes	At 31 Dec 2021
Cash and cash equivalents	41,118	12,075	-	53,193
Loans due within one year	(8,150)	8,150	(8,558)	(8,558)
Loans due in more than one year	(56,750)	-	5,720	(51,030)
Net cash/(net debt)	(23,782)	20,225	(2,838)	(6,395)

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies

The association is a Registered Social Landlord registered under the Charities Act 2011. The registered address is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Bromley & Sheppard's Colleges Charity includes FRS 102 and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Bromley & Sheppard's Colleges Charity is a public benefit entity in accordance with FRS 102.

The financial statements are presented in Sterling (£), which is the financial currency of the charity. Monetary amounts in these financial statements are rounded to whole pounds.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

The following principal accounting policies have been applied:

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting, modified to include certain financial instruments at fair value.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections, and considered the likely impact on the charity of the Covid 19 pandemic and the measures taken to contain it. There has been no difficulty maintaining occupancy levels throughout 2021, and investment income and returns have not been seriously affected. The trustees do not expect much change in these conditions and after making enquiries they have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and meet its liabilities as they fall due, and that there are no material uncertainties about the charity's ability to continue as a going concern. Accordingly, these financial statements have been prepared on the going concern basis.

Turnover

Turnover represents maintenance, central heating, service contributions and lodge & basement rent receivable.

Housing Properties

The old quadrangle of Bromley College was constructed between 1670 and 1672 and the new quadrangle was constructed between 1782 and 1805. Sheppard's College was constructed around 1840. Although amounts contributed towards the cost of construction of Bromley College are known, there is no reliable record of the construction costs of either Bromley College or Sheppard's College. The housing properties' costs relate to modernisation costs carried out in the mid 1970's on Bromley College and between 1984 and 1986 on Sheppard's College, which were funded by Social Housing Grants (SHG), grants from the Historic Buildings Council, mortgage loans from the Greater London Council and the Housing Corporation and from Bromley and Sheppard's Colleges own resources.

Housing properties are stated at cost less depreciation. Depreciation is charged on the following basis:

Building costs	100 years straight line
Capitalised professional fees, finance charges and equipment	100 years straight line
Chaplain's House	100 years straight line
Lift to common room	30 years straight line
Kitchens and bathrooms	30 years straight line
Pipe lagging and loft insulation	30 years straight line

Other Assets

Other assets are written off to the Income and Expenditure Account in the year in which they are acquired.

Investments

Investments are stated at market value.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting Policies (cont'd)

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Recoverable amount of rental receivables

The charity estimates the recoverable value of rental receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair, it reviews the age profile of the debt, historical collection rates, and the personal circumstances of the debtor.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks.

Deferred capital grants

Social Housing Grants (SHG's) were paid by Homes England to reduce the cost of development. The SHG's are repayable under certain circumstances, primarily the sale of a property but will normally be restricted to the net proceeds of the sale.

In applying this model, such grants have been presented as deferred income to be recognised over the expected life of the underlying asset.

Cyclical Repairs and Maintenance

Bromley & Sheppard's Colleges has established a regular programme of cyclical repairs and maintenance. Costs are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repairs

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repair Fund

This fund, previously maintained out of the income of the charity, is established to provide for the extraordinary repair, improvement or rebuilding of the college buildings. From 1999 this is shown as a transfer from General Reserves.

Charitable Fund Property Reserve

This represents that proportion of the cost of properties which was financed by charitable donations and the Trust's own resources.

Value Added Tax

Bromley & Sheppard's Colleges Charity is not registered for Value Added Tax. In these accounts, where applicable, expenditure is shown inclusive of VAT.

Apportionment of Management Expenses

Finance and administration costs are apportioned between management and service costs based on the estimated amount of time spent by individual staff members on management and services.

Pension Costs

The costs of retirement benefits applies to one employee of the charity through a multi-employer defined pension scheme. As information is not available to use defined benefit accounting in accordance with the requirements of FRS 102, the charity accounts for these payments as if it was a defined contribution scheme. The charity's contribution to this scheme is recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

The charity also recognises its liability in respect of deficit reduction arrangements of the multi-employer defined pension scheme.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies (cont'd)

Special Funds

The sum of £525 is transferred each year to the Recoupment Fund which is invested to recoup the proceeds from the sale of the land which has been utilised in modernisation of the colleges. From 1999 this transfer is made from General Reserves.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, key judgements were made in respect of the following:

- The expected useful life of fixed assets: the assets were broken down into components, and the useful economic life of each component has been assessed. During this assessment, the trustees considered the nature of the underlying assets acquired, the historic nature of the buildings, and the on-going programme of repair and maintenance.
- The amortisation period of the deferred capital grants: the grants were split into separate amounts, each of which relate directly to an underlying component of fixed asset. The amortisation of the grants then follow the useful economic life of the underlying asset.
- The Trustees' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined expenses (as analysed in Note 7). The net defined benefit pension liability at 31 December 2021 was £4,000.

2. Turnover From Lettings

	2021 £	2020 £
Maintenance contributions from residents	234,130	232,759
Central heating charges	47,985	47,318
Treasurer's house (from March 20)	16,272	11,419
Lodge rent	12,475	6,677
Parking donations	8,045	4,125
Storage areas and guest flats	3,750	8,189
Sundry income	-	25,300
	<u>322,657</u>	<u>335,787</u>
Less: Losses from voids	<u>(12,513)</u>	<u>(16,784)</u>
	<u>310,144</u>	<u>319,003</u>

The number of units of social housing accommodation in use during the year was 41 (2020- 41) and all relates to Social rent for General Needs Housing .

3. Operating Costs from Lettings

	2021 £	2020 £
<u>Services</u>		
Salaries	25,008	30,138
Homecare services	-	235
General and water rates	11,056	13,470
Insurance	16,772	16,386
Gas and electricity	16,180	68,131
Ground works	13,226	9,221
Other direct costs	<u>1,308</u>	<u>997</u>
	83,550	138,578
<u>Management</u>		
Fees and salaries	9,493	14,131
Audit and accountancy charges	19,000	19,515
Bank charges	3,369	296
Legal and professional fees	11,772	13,865
Architect's and suveyor's fees	<u>12,830</u>	<u>11,970</u>
	56,464	59,777

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Operating Costs from Lettings (Cont'd)

<u>Maintenance</u>			
Day to day	77,589	83,829	
Caretaking and minor works	-	5,000	
Maintenance officers salary	27,323	20,181	
Cyclical Maintenance	106,246	168,562	
Extraordinary	127,032	54,745	
	<u>338,190</u>	<u>332,317</u>	
Operating costs from lettings	478,204	530,672	
Other operating costs (note 5a)	<u>91,728</u>	<u>97,449</u>	
Total operating costs	<u>569,932</u>	<u>628,121</u>	
<u>Summary of Income and Expenditure from lettings</u>			
Turnover (note 2)	310,144	319,003	
Operating costs from lettings - as above	<u>(478,204)</u>	<u>(530,672)</u>	
Deficit	<u>(168,060)</u>	<u>(211,669)</u>	

4. Other Income

	2021	2020
	£	£
Sundry donations	10,023	8,610
Release of deferred capital grant (note 16)	<u>21,518</u>	<u>21,518</u>
	<u>31,541</u>	<u>30,128</u>

5a. Other operating costs

	2021	2020
	£	£
Salaries	42,105	45,370
Telephone, postage and stationery	3,499	4,133
Computer supplies and support	2,465	4,036
Founders Day and functions	1,573	647
Office sundries	1,425	1,753
Training courses and retreat fees	-	1,180
Chapel sundries	-	7,123
Donations	6,094	1,335
Chaplain's discretionary & Common room	80	-
Chaplain's removal and recruitment costs	3,227	-
Housekeeping and TV	849	1,461
Depreciation	<u>30,411</u>	<u>30,411</u>
	<u>91,728</u>	<u>97,449</u>

5b. Interest receivable and similar income

	2021	2020
	£	£
Bank interest received	9	71
Gain/ (loss) on disposal of investments	13,104	53
Investment income	<u>19,829</u>	<u>21,208</u>
	<u>32,942</u>	<u>21,332</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Officers and senior executives emoluments

	2021	2020
	£	£
Emoluments	21,072	33,715
Pensions	2,621	6,720
	<u>23,693</u>	<u>40,435</u>
Highest paid senior executive	<u>23,693</u>	<u>40,435</u>

Under FRS102, officers and senior executives emoluments includes the emoluments of key management personnel. During 2021 there was one employee who served as a member of key management personnel.

No employees earned more than £60,000 during the year. The Trustees received reimbursed expenses £nil (2020 - £nil) in the year.

Trustee indemnity insurance was effected during the year for which the charity paid a premium of £665 (2020: £665)

The Chaplain is the only member of the Church of England Funded Pension Scheme and is an ordinary member of the pension scheme with no enhanced or special terms apply. The association does not make any further contribution to an individual pension arrangement for the Chaplain.

During the year, the aggregate compensation for loss of office of key management personnel was £nil (2020 - £nil).

7. Employee information

	2021	2020
	£	£
Staff costs during the year were :-		
Wages and salaries	92,114	98,539
Social security costs	2,332	3,777
Pension costs	6,484	10,504
	<u>100,930</u>	<u>112,820</u>

The average number of employees expressed as full time equivalents during the year were 6 (2020: 5).

Church of England Funded Pensions Scheme

Bromley & Sheppard's Colleges Charity participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme was a defined contribution scheme. The pension costs charged to the Statement of Comprehensive Income in the year are contributions payable towards benefits and accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.; and
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI 2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Employee information (Cont'd)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions payable (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to 31 December 2020	January 2021 to 31 December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the scheme rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the Balance Sheet liability is set out in the table below.

	2021 £	2020 £
Balance sheet liability at 1 January	4,000	6,000
Deficit contribution paid	(1,000)	(3,000)
Remaining change to the balance sheet liability*	(3,000)	1,000
Balance sheet liability at 31 December	-	4,000

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021	December 2020	December 2019
Discount rate	0.00%	0.2%	1.1% pa
Price inflation	n/a	3.1%	2.8% pa
Increase to total pensionable payroll	-1.5%	1.6%	1.3% pa

The legal structure of the scheme is such that if another Responsible Body fails, Bromley & Sheppard's Colleges could become responsible for paying a share of that Responsible Body's pension liabilities.

8. Operating (deficit)/ surplus

	2021 £	2020 £
is stated after charging :-		
Amounts payable to auditors:		
Audit services	10,800	10,380

9. Taxation

Bromley & Sheppard's Colleges Charity is a registered charity, and is exempt for liability to taxation on its income and capital gains.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Housing Properties

	Bromley College £	Sheppard's College £	Total £
Cost			
At 1 January 2021 and 31 December 2021	<u>1,191,019</u>	<u>336,699</u>	<u>1,527,718</u>
Depreciation			
At 1 January 2021	531,762	149,908	681,670
Charge for the year	<u>24,353</u>	<u>6,058</u>	<u>30,411</u>
At 31 December 2021	<u>556,115</u>	<u>155,966</u>	<u>712,081</u>
Net book value carried forward			
At 31 December 2021	<u>634,904</u>	<u>180,733</u>	<u>815,637</u>
Net book value carried forward			
At 31 December 2020	<u>659,257</u>	<u>186,791</u>	<u>846,048</u>

The original cost of the land and buildings is not known and no value is attributed thereon. A valuation was provided in 2004 by Peter L. Coling, FRICS, of Kinleigh Folkard & Hayward, Chartered Surveyors of Leonard House, 7 Newman Road, Bromley BR1 1RJ, stating "As of October 2004 I value all the properties known as, and comprising, Bromley and Sheppard's Colleges on the basis of the existing use and with vacant possession, in the sum of £10,920,000 (ten million nine hundred and twenty thousand pounds)".

The above are all completed housing properties.

11. Investments

	2021 £	2020 £
Quoted investments		
Market value at 1 January 2021	955,837	1,061,485
Sales proceeds	(260,596)	(230,359)
	<u>695,241</u>	<u>831,126</u>
Additions at cost	<u>43,982</u>	<u>135,683</u>
	<u>739,223</u>	<u>966,809</u>
Realised gain on value of investments	13,104	53
Unrealised (loss)/ gain on value of investments	<u>94,399</u>	<u>(11,025)</u>
Market value at 31 December 2021	<u>846,726</u>	<u>955,837</u>
Historic cost at 31 December 2021	<u>513,143</u>	<u>672,745</u>

All are UK investments apart from £553,578 (2020: £334,535) relating to overseas investments.

12. Debtors

	2021 £	2020 £
Maintenance contributions, central heating and service charges receivable	20,540	22,249
Income Tax recoverable	885	634
Other debtors and prepayments	<u>9,533</u>	<u>13,112</u>
	<u>30,958</u>	<u>35,995</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Cash and cash equivalents	2021 £	2020 £
Bank current and deposit accounts	52,814	40,778
Church of England Finance Board deposit funds	37	38
Cash in Hand	342	302
	<u>53,193</u>	<u>41,118</u>

14. Creditors: Amounts falling due within one year	2021 £	2020 £
Trade creditors	16,742	-
Almshouse Association loans	8,558	8,150
Deferred capital grant (note 16)	21,518	21,518
Tax and social security	944	2,623
Accruals	51,035	69,846
	<u>98,797</u>	<u>102,137</u>

15. Creditors: Amounts falling due after more than one year	2021 £	2020 £
Pension Scheme liability (note 7)	-	4,000
Deferred capital grant (note 16)	529,288	550,806
Almshouse Association loans	51,030	56,750
	<u>580,318</u>	<u>611,556</u>

	2021	2020
Analysis of loans:		
Repayable within one year	8,558	8,150
Repayable in two to five years	34,230	20,600
Repayable in more than five years	16,800	36,150
	<u>59,588</u>	<u>64,900</u>

The Almshouse loan are unsecured interest free loans, repayable over 10 years in 20 six monthly instalments. As the loan is interest free, the charity is not impacted by the Interest Rate Benchmark Reform.

16. Deferred capital grants	2021 £	2020 £
At 1 January	572,324	593,842
Released to income during the year	(21,518)	(21,518)
At 31 December	<u>550,806</u>	<u>572,324</u>

	2021 £	2020 £
Analysis of grants:		
Deferral within one year	21,518	21,518
Deferral in two to five years	86,072	86,072
Deferral in more than five years	443,216	464,734
	<u>550,806</u>	<u>572,324</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Designated Reserves

Charitable Fund Property Reserve	2021	2020
	£	£
Balance at 1 January	318,189	318,189
Transfer to Income & Expenditure Account	-	-
Balance at 31 December	<u>318,189</u>	<u>318,189</u>

18. Special Funds

	2021	2020
	£	£
Recoupment Fund		
Balance at 1 January	179,904	164,033
Transfer from Income & Expenditure Account	525	525
Transfer from/(to) Investment Revaluation Fund	30,166	15,346
Balance at 31 December	<u>210,595</u>	<u>179,904</u>

The Recoupment Fund is represented by a specific COIF investment with a market value equal to the fund balance.

19. Extraordinary Repair Fund

	2021	2020
	£	£
Balance at 1 January	288,328	371,610
Transfer from Income & Expenditure Account	-	5,000
Transfer from/(to) Investment Revaluation Reserve	(187,892)	(88,282)
Balance at 31 December	<u>100,436</u>	<u>288,328</u>

20. Investment Revaluation Fund

	2021	2020
	£	£
As at 1 January	345,891	271,546
Transfers from Income & Expenditure Account:		
Unrealised losses from past periods		
now realised on disposals of investments	37,840	12,434
Unrealised gains/(losses) in the current year	94,399	(11,025)
Transfer (to)/from Recoupment Fund	(30,166)	(15,346)
Transfer (to)/from Extraordinary Repair Fund	187,892	88,282
As at 31 December	<u>635,856</u>	<u>345,891</u>

21. Associated Funds

The Collegian Chaplain's Fund is a separate fund operated by the Collegians. It is not under the control of the Trustees and is not incorporated in these financial statements.

22. Contingent Liabilities

There were no contingent liabilities at 31 December 2021.

Accounts

BROMLEY & SHEPPARD'S COLLEGES CHARITY
Registered Charity Number 210337
Registered Social Landlord Number A0352

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

BROMLEY & SHEPPARD'S COLLEGES CHARITY INDEX

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BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report together with the audited financial statements for the year ended 31st December 2020

Legal and Administrative Information

The charity is registered in the name of Bromley & Sheppard's Colleges Charity.

The charity's governing instrument is a Charity Commission Scheme Ref. CD (Ldn), 210337/15863 which was sealed on 10 February 1997 and amended on 24 May 2004 to enable the acquisition of Trustee Indemnity Insurance. It was further amended on 26 March 2007 to incorporate Powers of Amendment, the requirement to appoint two elected Collegian Trustees and the facility to appoint non-voting Trustee Advisers where appropriate.

The Charity is also a Registered Social Landlord with number A0352 and a member of The Almshouse Association, registered number 415.

The Trustees are incorporated by means of Certificate of Incorporation issued by the Charity Commission under Section 50 of the Charities Act 1993. The Certificate reference is 325/94, which was sealed on 14 July 1994.

The Trustee body consists of no more than eighteen persons who meet quarterly, to include six Ex-Officio Trustees, not fewer than seven and not more than ten Co-opted Trustees and two Collegian Trustees. The Ex-Officio Trustees have the power to appoint Deputies.

The Ex-Officio Trustees are the holders, for the time being, of the following appointments:

The Archbishop of Canterbury

The Bishop of London

The Bishop of Rochester

The Chancellor of the Diocese of Rochester

The Dean of St Paul's

The Archdeacon of Bromley and Bexley

The Co-Opted Trustees:

Mr Richard Collins (Chairman appointed 14 December 2020)

Mr Tony Bentley

Mrs Tina Hill

Mr James Pearson

Mr Christopher Scott

Mrs Lynda Stimson

Mr John Thorogood (Chairman to 14 December 2020)

Appointed Deputies:

Cllr Peter Morgan FRICS MCIArb (for the Dean of St Paul's)

Mr Derek Shilling (for the Bishop of London)

Collegian Trustees:

Miss Kathleen Craig

The Revd. George Baisley (retired 26 February 2020)

The Revd. R Jones (appointed 31 March 2020)

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Chaplain and Clerk to the Trustees:

The Revd. Jane Kustner

Trustees' Advisers:

Mr Martin Lee-Warner

Mr Adrian Tutchings FRICS

Miss Susan Gilder

The registered office of the Charity is The Chaplain's House, Bromley College, London Road, Bromley, Kent, BR1 1PE.

The Charity's bankers and professional advisers are as follows:-

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Santander Bank
Bootle
Merseyside L30 4GB

Auditors

Moore Kingston Smith LLP
Betchworth House
57-65 Station Road
Redhill
Surrey RH1 1DL

Stockbrokers/Investment Advisers

Brewin Dolphin Securities Limited
12, Smithfield Street,
London. EC1A 9BD.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

BROMLEY & SHEPPARD'S COLLEGES CHARITY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Charity law and Housing Association legislation require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- satisfy themselves on an annual basis that they are compliant with the Governance and Financial Viability Standard issued by the Regulator of Social Housing.

The Trustees are responsible for maintaining an adequate system of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the accounting requirements of the Charity Commission Schemes dated 10 February 1997 and 24 May 2004, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Selection and Induction of Trustees

In selecting new Trustees, the primary aim of the existing Trustees is to find people who not only have an interest in the Colleges but also have the knowledge and experience to contribute to or complement the range of skills required to make up an effective Trustee team. Such people are likely to have knowledge of one or more of the legal, financial, social services, health, housing or local and national government fields.

The Trustees regularly assess whether they and those they employ have the right competencies, experience and technical knowledge appropriate to the size, scale and risk profile of the organisation together with the need for further training or succession planning.

Induction programmes include sessions with the Chairman and the Clerk to the Trustees and opportunities to meet the Collegians. Because of the experience required, appointees may already have held other trusteeships but where this is not the case they will also be given briefing on the duties of Trustees.

All Trustees have the opportunity to attend training sessions provided by the Almshouses Association and other relevant bodies.

Historical Background

Bromley College was founded in 1666 by the Will of John Warner, Bishop of Rochester. The first buildings – 20 houses, a chapel, and houses for a Chaplain and a Treasurer - were authorised by Act of Parliament in 1670.

The accommodation was to provide housing for "*Twenty poore widowes of orthodoxe and loyall clergiemmen*". Twenty more houses were constructed between 1794 and 1805 funded by substantial gifts.

Sheppard's College was founded in 1840 from gifts of Mrs Sheppard, widow of Dr Thomas Sheppard, a Fellow of Magdalen College, Oxford, to make similar provision for the unmarried daughters who had lived with their mothers.

Major modernisation and re-ordering of the buildings took place in the 1970's and 1980's, and again more recently in 2005 to 2007.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Both Colleges are listed buildings: Bromley College - Grade I, Sheppard's College - Grade II*.

Beneficiaries

Charity Commission Schemes in 1974, 1981 and 1997 extended the classes of beneficiary. These now include all retired Clerks in Holy Orders (male and female) of the Churches of England and Ireland, the Church in Wales and the Scottish Episcopal Church and their spouses, together with divorced and separated spouses of such Clerks and unmarried daughters and step-daughters of former Collegians.

Objects and Administration of the Charity

As indicated above, the Charity exists to provide sheltered housing for the beneficiaries as defined in the Governing Instrument. Currently there are forty Collegians' dwellings, two guest flats and two staff dwellings.

The Colleges are administered by the Trustees through the Chaplain and Clerk to the Trustees. The trustees meet at least four times each year and determine overall policy. Sub committees covering finance, fabric and welfare also meet regularly and day-to-day administration is carried out by the Chaplain/Clerk in consultation with the Lay Chairman and Treasurer. There is a team of four full and part-time staff. In addition to the provision of housing, it is the policy of the Trustees to provide as much support as resources allow and a response to emergencies, without impinging on the independence of the Collegians. Modest use is made of unpaid volunteers. The Collegians benefit from the services of outside voluntary organisations and those provided by Social Services and NHS Care in the Community.

Public Benefit

The Trustees have referred to the guidance in the Charity Commission general guidance on Public Benefit. Bromley & Sheppard's Colleges Charity exists for the benefit of poor and aging clergy of the Church of England, their wives and widows and in certain cases, their children who have given their lives over to the care of their parents.

Although non-profit making, the Trust ensures that the famous and traditional 17th century buildings are maintained for the benefit of the general public who visit the site on regular occasions, free of charge. The Chapel is a place of public worship to which any member of the public is welcome.

Achievements and Performance

There was a total of 8 vacancies during the year and three flats vacant at the year end. It is policy to fill a flat as soon as possible following a vacancy and a small waiting list is maintained to facilitate this. The increase in voids in 2020 was due to greater refurbishment of the flats and not the availability of new occupants.

There continue to be regular meetings between the Chaplain the Collegians and the Trustees to enable Collegians to express their views about the facilities provided and any proposed changes.

The Trustees have undertaken a review of their compliance with the Governance and Financial Viability Standard and believe they meet the required Standards as they affect an organisation of their size and nature. Overheads are strictly controlled commensurate with providing a suitable standard of accommodation and service for their tenants and the trustees are satisfied that the Colleges continue to deliver value for money and make good use of the assets of the colleges.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Value for Money Metrics:

In April 2018 the Regulator of Social Housing ("Regulator") introduced a set of common metrics, which each provider is required to publish each year. These metrics are considered the most appropriate set of measures to capture performance across the sector in a fair and comparable way.

Number	Metric	Value	Note
1	Reinvestment %	0	No new properties acquired or developed
2a	New supply (social housing units %)	0	No new properties acquired or developed
2b	New supply (non-social housing units) %	0	No new properties acquired or developed
3	Gearing %	3	
4	EBITDA MRI interest cover %	(91,225)	Very low interest charges. MRI=Major Repairs Included
5	Headline Social Housing Cost £	12,943	Includes costs associated with the maintenance of a Grade 1 17 th century building
6a	Operating margin (social housing lettings) %	(95)	
6b	Operating margin (overall) %	(95)	No disposals of properties
7	Return of Capital Employed %	(15)	Negative due to deficit for the year

Review of 2020

The level of occupancy was 94.4% (2019 – 98.7%) and the average age 78 years (2019 – 78).

The audited accounts record a deficit for the year to 31 December 2020 of £268,683. (2019, surplus £141,841)

The Trustees have continued their policy of carrying out internal redecoration of flats when they become vacant or on a seven-year cycle. Historically, arrangements have provided for external areas and internal communal areas to be redecorated on a four-year cycle, and other maintenance carried out on an annual basis. However, following a review of necessary remedial work, including improvements in fire safety, an increased level of refurbishment is now in hand which will require utilisation of a significant part of the Extraordinary Repair Fund over the next two years.

Quoted investments are recognised in the Balance Sheet at Market Value.

Movements on reserves are set out in notes 17 to 20 of the financial statements. Details of the reserves are as follows:

Under the Governing Instrument, the Trustees are required to make an annual contribution to an Extraordinary Repair Fund and £5,000 was contributed in 2020. At 31 December 2020, the Market Value of the underlying investments representing the Fund stood at £288,328 (2019, £371,610).

Under the terms of a Charity Commission Scheme dated 23 September 1981, and continued under the 1997

BROMLEY & SHEPPARD'S COLLEGES CHARITY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Governing Instrument, the Trustees are required to contribute an annual amount of £525 to a Recoupment Fund until 23 September 2041. At 31 December 2020 £20,475 had been contributed in this way and the Market Value of the underlying investments representing the Fund was £179,904 (2019, £164,033).

The Designated Reserve, the Charitable Fund Property Reserve, represents the net book value of the tangible fixed assets net of the unamortised amount of deferred capital grants. This designation arises as, in the opinion of the trustees, these amounts do not represent free reserves of the charity.

The free reserves are represented by the Investment Revaluation Fund and the Income and Expenditure Reserve which total £378,884 at 31 December 2020 (2019, £581,156). However, the trustees do not believe that the level of free reserves held is excessive in the context of the need to maintain listed buildings estimated to be worth approximately £11 million.

During the year, the trustees have reviewed the level of reserves taking into account the nature of the income which could fall in the event of insufficient tenants and the level of maintenance and unexpected expenditure that occupation of a Grade 1, seventeenth century building may require. They believe they should seek to hold a free reserve of the order of one year's rental in respect of the first of approximately £225,000, and a further sum of not less than £200,000 to cover building needs in addition to the extraordinary and recoupment fund reserves.

The Trustees continued to take into consideration the effect of Covid 19 on the charity. We have not experienced any difficulty in maintaining occupancy levels. Investment income and returns have not been seriously affected although we recognise they could be impacted by continuing economic uncertainties.

Investment Policy

An Investment policy to cover all funds /holdings managed on behalf of Bromley & Sheppard's Colleges requires that Fund Managers seek to achieve a rate of return commensurate with the degree of risk and adhere to the following criteria:

Risk: Medium

Income: As high as is reasonably achievable.

Capital Growth: Desirable, but not at the expense of high income and risk, as defined above.

Excluded Investments: Companies in the arms industry.

Management Policies, Risks and Uncertainties

The trustees review regularly the risks and uncertainties facing the charity, many of which are concerned with the upkeep of the properties, the safety of residents and visitors given the age of the properties, and the safeguarding of vulnerable adults. Specific management policies are in place to mitigate these risks and these are as follows:

(i) **Housing Management**

The housing management policy is to provide an economical, efficient and effective service to the Colleges' residents, with due consideration being given to their physical safety.

(ii) **Employment, Training and Advancement of Disabled Persons**

We are a small Charity with only a small administrative team. At the present time we have no disabled people in employment, but would honour our equal opportunities policy if the need arose.

(iii) **Health, Safety and Welfare at Work of Employees**

The Trustees recognise the importance of effective health, safety and welfare for their employees at work.

Appropriate policies are in place for the protection of our staff members, the Collegians and visitors to the Colleges.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

(iv) Anti-Social Behaviour Policy

The Colleges continue to operate an Anti-Social Behaviour Policy.

(v) Vulnerable Adults

The Trustees recognise the importance of maintaining a vulnerable adults policy and related procedures which are reviewed and confirmed annually.

(vi) Fire Risk Assessment Policy

The Colleges continue to operate a Fire Risk Assessment Policy.

(vii) Full Risk Assessment Policy

A Full Risk Assessment Policy is in place.

On Behalf of the Trustees:



Richard Collins
Chairman

Date: 29th JUNE 2021

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Bromley & Sheppard's Colleges Charity for the year ended 31 December 2020 which comprise the Summary Income and Expenditure Account, the Statement of total Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice for Registered Social Housing Providers 2018.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, 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 Charities Act 2011; the Charity Commission Scheme dated 10 February 1997; the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2020

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you, if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records or returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement, set out on page 2, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, FRS 102 SORP for Registered Social Housing Providers 2018, and the Accounting Direction for Private Registered Providers of Social Housing Housing 2019, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it may occur, by holding discussions with management and those charged with governance.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
REPORT OF THE AUDITORS
YEAR ENDED 31 DECEMBER 2020**

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

The report is made solely to the charity's trustees, as a body, in accordance with regulations in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Betchworth House
57-65 Station Road
Redhill
Surrey, RH1 1DL

**Moore Kingston Smith LLP
Statutory Auditors**

Date: 29 June 2021

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**BROMLEY & SHEPPARD'S COLLEGES CHARITY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	2	319,003	307,835
Other income	4	30,128	62,071
Less: operating costs	3	(628,121)	(407,317)
Operating loss		(278,990)	(37,411)
Interest receivable and investment income	5b	21,332	35,771
Unrealised (loss)/ gain on investments	11	(11,025)	143,481
(Deficit)/ Surplus for the year		(268,683)	141,841

Movement on Income and Expenditure Account

Balance brought forward	309,610	352,654
Surplus/(Deficit) for the financial year	(268,683)	141,841
Actuarial gain/(loss) on pension scheme	(1,000)	10,000
Net transfer to Recoupment Fund	(15,871)	(30,621)
Net transfer to Extraordinary Repair Fund	83,282	(73,329)
Net transfer (to)/from Investment Revaluation Fund	(74,345)	(90,935)
Net transfer from Charitable Fund Property Reserve	-	-
	<u>32,993</u>	<u>309,610</u>

These financial statements were approved by the board of Trustees on 29th June 2021

and signed on its behalf by:



R. Collins
Trustee



D. Shilling
Trustee



J. Kusner
Clerk to the Trustees

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Charitable Fund Property Reserve £	Extraordinary Repair Fund £	Investment Revaluation Fund £	Income and Expenditure Account £	Recoupment Fund £	Total £
Balance at 1 January 2019		318,189	298,281	180,611	352,654	133,412	1,283,147
Surplus from Income & Expenditure Account		-	-	-	141,841	-	141,841
Actuarial gain on pension scheme	7	-	-	-	10,000	-	10,000
Transfers		-	73,329	90,935	(194,885)	30,621	-
Balance at 31 December 2019		<u>318,189</u>	<u>371,610</u>	<u>271,546</u>	<u>309,610</u>	<u>164,033</u>	<u>1,434,988</u>
Surplus from Income & Expenditure Account		-	-	-	(268,683)	-	(268,683)
Actuarial gain on pension scheme	7	-	-	-	(1,000)	-	(1,000)
Transfers		-	(83,282)	74,345	(6,934)	15,871	-
Balance at 31 December 2020		<u><u>318,189</u></u>	<u><u>288,328</u></u>	<u><u>345,891</u></u>	<u><u>32,993</u></u>	<u><u>179,904</u></u>	<u><u>1,165,305</u></u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2020

		2020		2019	
	Note	£	£	£	£
Fixed Assets					
Tangible fixed assets	10		846,048		876,459
Investments	11		<u>955,837</u>		<u>1,081,485</u>
			1,801,885		1,937,944
Current Assets					
Debtors	12	35,995		36,242	
Cash and cash equivalents	13	<u>41,118</u>		<u>109,687</u>	
		77,113		145,929	
Creditors: Amounts falling due within one year	14	<u>(102,137)</u>		<u>(45,861)</u>	
Net Current (Liabilities)/ Assets			<u>(25,024)</u>		<u>100,268</u>
Total Assets Less Current Liabilities			<u>1,776,861</u>		<u>2,038,212</u>
Creditors: Amounts falling due after more than one year	15		611,556		603,224
Reserves and Special Funds					
Designated Reserves	17		318,189		318,189
Extraordinary Repair Fund	19		288,328		371,610
Investment Revaluation Fund	20		345,891		271,546
Income and Expenditure Account			32,993		309,610
Special Funds	18		<u>179,904</u>		<u>164,033</u>
			<u>1,776,861</u>		<u>2,038,212</u>

These financial statements were approved by the board of Trustees on 29th June 2021

and signed on its behalf by:


R. Collins
Trustee


D. Shilling
Trustee


J. Kustner
Clerk to the Trustees

BROMLEY & SHEPPARD'S COLLEGES CHARITY
STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash generated from operating activities:			
Net cash absorbed by operating activities	see below	(199,095)	(16,599)
Cash flows from investing activities:			
Purchase of investments	11	(135,683)	(96,372)
Proceeds on disposal of investments	11	230,359	88,906
Net cash provided by/ (used in) investing activities		94,676	(7,466)
Cash flows from financing activities:			
Cash inflow from new loan	14,15	40,000	-
Repayment of capital element of loan	14,15	(4,150)	(4,150)
Net cash provided by/ (used in) financing activities		35,850	(4,150)
Change in cash and cash equivalents in the reporting period		(68,569)	(28,215)
Cash and cash equivalents at the beginning of the reporting period		109,687	137,902
Cash and cash equivalents at the end of the reporting period	13	41,118	109,687

Reconciliation of net surplus to net cash flow from operating activities

		2020 £	2019 £
Net (deficit)/ surplus (per the income and expenditure account)		(268,683)	141,841
Adjustments for:			
Depreciation charges	10	30,411	30,411
Release of deferred capital grant	16	(21,518)	(21,518)
Gain on disposal of investments	11	(53)	(10,155)
Unrealised loss/ (gain) on investments	11	11,025	(143,481)
Pension deficit contributions paid	7	(3,000)	(3,000)
Decrease/ (increase) in debtors	12	247	(2,574)
Increase/ (decrease) in creditors	14,15	52,476	(8,123)
Net cash (used in)/ provided by operating activities		(199,095)	(16,599)

Reconciliation of net cash/(net debt)

	At 1 Jan 2020	Cash flows	New loan	Other non-cash changes	At 31 Dec 2020
Cash and cash equivalents	109,687	(68,569)			41,118
Loans due within one year	(4,150)	4,150		(8,150)	(8,150)
Loans due in more than one year	(24,900)		(40,000)	8,150	(56,750)
Net cash/(net debt)	80,637	(64,419)	(40,000)	-	(23,782)

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Bromley & Sheppard's Colleges Charity includes FRS 102 Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

The following principal accounting policies have been applied:

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting, modified to incorporate the revaluation of investments.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections, and considered the likely impact on the charity of the Covid 19 pandemic and the measures taken to contain it. There has been no difficulty maintaining occupancy levels throughout 2020, and investment income and returns have not been seriously affected. The trustees do not expect much change in these conditions and after making enquiries they have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and meet its liabilities as they fall due, and that there are no material uncertainties about the charity's ability to continue as a going concern. Accordingly, these financial statements have been prepared on the going concern basis.

Turnover

Turnover represents maintenance, central heating, service contributions and lodge & basement rent receivable.

Housing Properties

The old quadrangle of Bromley College was constructed between 1670 and 1672 and the new quadrangle was constructed between 1782 and 1805. Sheppard's College was constructed around 1840. Although amounts contributed towards the cost of construction of Bromley College are known, there is no reliable record of the construction costs of either Bromley College or Sheppard's College. The housing properties' costs relate to modernisation costs carried out in the mid 1970's on Bromley College and between 1984 and 1986 on Sheppard's College, which were funded by Social Housing Grants (SHG), grants from the Historic Buildings Council, mortgage loans from the Greater London Council and the Housing Corporation and from Bromley and Sheppard's Colleges own resources.

Housing properties are stated at cost less depreciation. Depreciation is charged on the following basis:

Building costs	100 years straight line
Capitalised professional fees, finance charges and equipment	100 years straight line
Chaplain's House	100 years straight line
Lift to common room	30 years straight line
Kitchens and bathrooms	30 years straight line
Pipe lagging and loft insulation	30 years straight line

Other Assets

Other assets are written off to the Income and Expenditure Account in the year in which they are acquired.

Investments

Investments are stated at market value.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies (cont'd)

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Recoverable amount of rental receivables

The charity estimates the recoverable value of rental receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair, it reviews the age profile of the debt, historical collection rates, and the personal circumstances of the debtor.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks.

Deferred capital grants

Social Housing Grants (SHG's) were paid by Homes England to reduce the cost of development. The SHG's are repayable under certain circumstances, primarily the sale of a property but will normally be restricted to the net proceeds of the sale.

In applying this model, such grants have been presented as deferred income to be recognised over the expected life of the underlying asset.

Cyclical Repairs and Maintenance

Bromley & Sheppard's Colleges has established a regular programme of cyclical repairs and maintenance. Costs are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repairs

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the Revenue Account in the year in which they are incurred.

Extraordinary Repair Fund

This fund, previously maintained out of the income of the charity, is established to provide for the extraordinary repair, improvement or rebuilding of the college buildings. From 1999 this is shown as a transfer from General Reserves.

Charitable Fund Property Reserve

This represents that proportion of the cost of properties which was financed by charitable donations and the Trust's own resources.

Value Added Tax

Bromley & Sheppard's Colleges Charity is not registered for Value Added Tax. In these accounts, where applicable, expenditure is shown inclusive of VAT.

Apportionment of Management Expenses

Finance and administration costs are apportioned between management and service costs based on the estimated amount of time spent by individual staff members on management and services.

Pension Costs

The costs of retirement benefits applies to one employee of the charity through a multi-employer defined pension scheme. As information is not available to use defined benefit accounting in accordance with the requirements of FRS 102, the charity accounts for these payments as if it was a defined contribution scheme. The charity's contribution to this scheme is recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

The charity also recognises its liability in respect of deficit reduction arrangements of the multi-employer defined pension scheme.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies (cont'd)

Special Funds

The sum of £525 is transferred each year to the Recoupment Fund which is invested to recoup the proceeds from the sale of the land which has been utilised in modernisation of the colleges. From 1999 this transfer is made from General Reserves.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, key judgements were made in respect of the following:

- The expected useful life of fixed assets: the assets were broken down into components, and the useful economic life of each component has been assessed. During this assessment, the trustees considered the nature of the underlying assets acquired, the historic nature of the buildings, and the on-going programme of repair and maintenance.
- The amortisation period of the deferred capital grants: the grants were split into separate amounts, each of which relate directly to an underlying component of fixed asset. The amortisation of the grants then follow the useful economic life of the underlying asset.

2. Turnover From Lettings

	2020	2019
	£	£
Maintenance contributions from residents	232,759	232,442
Central heating charges	47,318	50,518
Treasurer's house (from March 20)	11,419	-
Lodge rent	6,677	11,500
Parking donations	4,125	4,500
Storage areas and guest flats	8,189	12,693
Sundry income	25,300	-
	<u>335,787</u>	<u>311,653</u>
Less: Losses from voids	(16,784)	(3,818)
	<u><u>319,003</u></u>	<u><u>307,835</u></u>

The number of units of housing accommodation in use during the year was 41 (2019- 41).

3. Operating Costs from Lettings

	2020		2019	
	£	£	£	£
<u>Services</u>				
Salaries	30,138		27,902	
Homecare services	235		1,267	
General and water rates	13,470		12,540	
Insurance	16,386		16,273	
Gas and electricity	68,131		16,653	
Ground works	9,221		17,272	
Other direct costs	<u>997</u>		<u>2,070</u>	
		138,578		93,977
<u>Management</u>				
Fees and salaries	14,131		12,848	
Audit and accountancy charges	19,515		18,255	
Bank charges	296		296	
Legal and professional fees	13,865		8,672	
Architect's and suveyor's fees	<u>11,970</u>		<u>-</u>	
		59,777		40,071

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Operating Costs from Lettings (Cont'd)

<u>Maintenance</u>			
Day to day	83,829	105,985	
Caretaking and minor works	5,000	9,000	
Maintenance officers salary	20,181	21,698	
Cyclical Maintenance	168,562	23,065	
Extraordinary	54,745	23,791	
	<u>332,317</u>		<u>183,539</u>
Operating costs from lettings	530,672		317,587
Other operating costs (note 5a)	<u>97,449</u>		<u>89,730</u>
Total operating costs	<u>628,121</u>		<u>407,317</u>
<u>Summary of Income and Expenditure from lettings</u>			
Turnover (note 2)	319,003		307,835
Operating costs from lettings - as above	<u>(530,672)</u>		<u>(317,587)</u>
Deficit	<u>(211,669)</u>		<u>(9,752)</u>

4. Other Income

2020	2019
£	£
Sundry donations	14,453
Release of deferred capital grant (note 16)	21,518
Legacies	26,100
<u>30,128</u>	<u>62,071</u>

5a. Other operating costs

2020	2019
£	£
Salaries	31,462
Telephone, postage and stationery	2,078
Computer supplies and support	3,562
Travelling expenses	78
Founders Day and functions	1,411
Office sundries	2,745
Training courses and retreat fees	45
Chapel sundries	13,112
Donations	2,274
Chaplain's discretionary & Common room	138
Chaplain's removal and recruitment costs	570
Housekeeping and TV	1,844
Depreciation	30,411
<u>97,449</u>	<u>89,730</u>

5b. Interest receivable and similar income

2020	2019
£	£
Bank interest received	197
Gain/ (loss) on disposal of investments	10,155
Investment income	25,419
<u>21,332</u>	<u>35,771</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Officers and senior executives emoluments	2020 £	2019 £
Emoluments (including pension contributions)	<u>40,475</u>	<u>36,903</u>
Highest paid senior executive	<u>40,475</u>	<u>36,903</u>

Under FRS102, officers and senior executives emoluments includes the emoluments of key management personnel. During 2020 there was one employee who served as a member of key management personnel.

No employees earned more than £60,000 during the year. The Trustees received reimbursed expenses £nil (2019 - £nil) in the year.

Trustee indemnity insurance was effected during the year for which the charity paid a premium of £665 (2019: £665)

7. Employee information	2020 £	2019 £
Staff costs during the year were :-		
Wages and salaries	98,539	81,239
Social security costs	3,777	3,461
Pension costs	<u>10,504</u>	<u>9,842</u>
	<u>112,820</u>	<u>94,542</u>

Church of England Funded Pensions Scheme

Bromley & Sheppard's Colleges Charity participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body and that contributions are accounted for as if the Scheme was a defined contribution scheme. The pension costs charged to the Income and Expenditure account in the year are contributions payable towards benefits and accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumption

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.; and
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI 2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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7. Employee information (Cont'd)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions payable (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to 31 December 2020	January 2021 to 31 December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the scheme rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the Balance Sheet liability is set out in the table below.

	2020 £	2019 £
Balance sheet liability at 1 January	6,000	19,000
Deficit contribution paid	(3,000)	(3,000)
Remaining change to the balance sheet liability*	1,000	(10,000)
Balance sheet liability at 31 December	<u>4,000</u>	<u>6,000</u>

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2%	1.1% pa	2.1% pa
Price inflation	3.1%	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6%	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, Bromley & Sheppard's Colleges could become responsible for paying a share of that Responsible Body's pension liabilities.

8. Operating (deficit)/ surplus

	2020 £	2019 £
is stated after charging :-		
Amounts payable to auditors:		
Audit services	<u>10,380</u>	<u>10,080</u>

9. Taxation

Bromley & Sheppard's Colleges Charity is a registered charity, and is exempt for liability to taxation on its income and capital gains.

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Housing Properties

	Bromley College £	Sheppard's College £	Total £
Cost			
At 1 January 2020 and 31 December 2020	<u>1,191,019</u>	<u>336,699</u>	<u>1,527,718</u>
Depreciation			
At 1 January 2020	507,409	143,850	651,259
Charge for the year	<u>24,353</u>	<u>6,058</u>	<u>30,411</u>
At 31 December 2020	<u>531,762</u>	<u>149,908</u>	<u>681,670</u>
Net book value carried forward			
At 31 December 2020	<u>659,257</u>	<u>186,791</u>	<u>846,048</u>
Net book value carried forward			
At 31 December 2019	<u>683,610</u>	<u>192,849</u>	<u>876,459</u>

The original cost of the land and buildings is not known and no value is attributed thereon. A valuation was provided in 2004 by Peter L. Coling, FRICS, of Kinleigh Folkard & Hayward, Chartered Surveyors of Leonard House, 7 Newman Road, Bromley BR1 1RJ, stating "As of October 2004 I value all the properties known as, and comprising, Bromley and Sheppard's Colleges on the basis of the existing use and with vacant possession, in the sum of £10,920,000 (ten million nine hundred and twenty thousand pounds)".

11. Investments

	2020 £	2019 £
Quoted investments		
Market value at 1 January 2020	1,061,485	900,383
Sales proceeds	<u>(230,359)</u>	<u>(88,906)</u>
	831,126	811,477
Additions at cost	<u>135,683</u>	<u>96,372</u>
	966,809	907,849
Realised gain on value of investments	53	10,155
Unrealised (loss)/ gain on value of investments	<u>(11,025)</u>	<u>143,481</u>
Market value at 31 December 2020	<u>955,837</u>	<u>1,061,485</u>
Historic cost at 31 December 2020	<u>672,745</u>	<u>638,701</u>

All are UK investments apart from £334,535 relating to overseas investments.

12. Debtors

	2020 £	2019 £
Maintenance contributions, central heating and service charges receivable	22,249	23,077
Income Tax recoverable	634	2,890
Other debtors and prepayments	<u>13,112</u>	<u>10,275</u>
	<u>35,995</u>	<u>36,242</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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13. Cash and cash equivalents	2020	2019
	£	£
Bank current and deposit accounts	40,778	108,477
Church of England Finance Board deposit funds	38	37
Cash in Hand	302	1,173
	<u>41,118</u>	<u>109,687</u>
14. Creditors: Amounts falling due within one year	2020	2019
	£	£
Almshouse Association loans	8,150	4,150
Deferred capital grant (note 16)	21,518	21,518
Tax and social security	2,623	1,098
Accruals	69,846	18,696
Deferred income	-	199
	<u>102,137</u>	<u>45,661</u>
15. Creditors: Amounts falling due after more than one year	2020	2019
	£	£
Pension Scheme liability (note 7)	4,000	6,000
Deferred capital grant (note 16)	550,806	572,324
Almshouse Association loans	56,750	24,900
	<u>611,556</u>	<u>603,224</u>
	2020	2019
Analysis of loans:		£
Repayable within one year	8,150	4,150
Repayable in two to five years	20,600	16,600
Repayable in more than five years	36,150	8,300
	<u>64,900</u>	<u>29,050</u>
16. Deferred capital grants	2020	2019
	£	£
At 1 January 2020	593,842	615,360
Released to income during the year	(21,518)	(21,518)
At 31 December 2020	<u>572,324</u>	<u>593,842</u>
	2020	2019
Analysis of grants:	£	£
Deferral within one year	21,518	21,518
Deferral in two to five years	86,072	86,072
Deferral in more than five years	464,734	486,252
	<u>572,324</u>	<u>593,842</u>

BROMLEY & SHEPPARD'S COLLEGES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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17. Designated Reserves

Charitable Fund Property Reserve	2020	2019
	£	£
Balance at 1 January 2020	318,189	318,189
Transfer to Income & Expenditure Account	-	-
Balance at 31 December 2020	<u>318,189</u>	<u>318,189</u>

18. Special Funds

	2020	2019
	£	£
Recoupment Fund		
Balance at 1 January 2020	164,033	133,412
Transfer from Income & Expenditure Account	525	525
Transfer from/(to) Investment Revaluation Fund	15,346	30,096
Balance at 31 December 2020	<u>179,904</u>	<u>164,033</u>

The Recoupment Fund is represented by a specific COIF investment with a market value equal to the fund balance.

19. Extraordinary Repair Fund

	2020	2019
	£	£
Balance at 1 January 2020	371,610	298,281
Transfer from Income & Expenditure Account	5,000	15,000
Transfer from/(to) Investment Revaluation Reserve	(88,282)	58,329
Balance at 31 December 2020	<u>288,328</u>	<u>371,610</u>

20. Investment Revaluation Fund

	2020	2019
	£	£
As at 1 January 2020	271,546	180,611
Transfers from Income & Expenditure Account:		
Unrealised losses from past periods		
now realised on disposals of investments	12,434	35,875
Unrealised gains/(losses) in the current year	(11,025)	143,485
Transfer (to)/from Recoupment Fund	(15,346)	(30,096)
Transfer (to)/from Extraordinary Repair Fund	88,282	(58,329)
As at 31 December 2020	<u>345,891</u>	<u>271,546</u>

21. Associated Funds

The Collegian Chaplain's Fund is a separate fund operated by the Collegians. It is not under the control of the Trustees and is not incorporated in these financial statements.

22. Contingent Liabilities

There were no contingent liabilities at 31 December 2020.