

REGISTERED COMPANY NUMBER: 00049173 (England and Wales)
REGISTERED CHARITY NUMBER: 212728

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2020
for
The College of Psychic Studies

Contents of the Financial Statements
for the Year Ended 31 December 2020

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TRUSTEES

G C Dart CBE President
B C Adams (resigned 24.6.2020)
C M Wilding
D J Brockwell
K Forsythe
I S Kaye
K S Tyler

REGISTERED OFFICE

16 Queensberry Place
South Kensington
London
SW7 2EB

**REGISTERED COMPANY
NUMBER**

00049173 (England and Wales)

**REGISTERED CHARITY
NUMBER**

212728

AUDITORS

Maximus Accountancy Services Limited
47 Kensington Road
Chichester
West Sussex
PO19 7XS

BANKERS

Royal Bank of Scotland
29 Old Brompton Road
London
SW7 3JE

Report of the Trustees
for the Year Ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, constitution and management

The objective of the College is to explore consciousness beyond matter.

The College is a registered charity constituted as a company limited by guarantee and governed by the Memorandum and Articles of the company. Trustees, whose responsibility it is to maintain proper control of the College's affairs, are recruited from those who are sympathetic to and familiar with the College's work whilst also offering the breadth of skills, attributes and experience to enable the trustees (collectively known as Council) to contribute effectively in achieving the aims and objectives of the College.

The induction of new trustees is effected by offering attendance at external training and information programmes and working alongside other trustees so deepening their knowledge of the College's operations.

The trustees provide over-sight of the College's activities and consider and approve the College's reserves, investment and risk policies. The trustees also set and monitor the achievement of longer-term objectives and strategies and oversee the quality of activities and the overall culture within which the College's activities are conducted. Within this the trustees contribute their own knowledge and professional expertise. Management accounts are produced quarterly and are reviewed by the trustees against budget and previous years' results. Key differences are followed up and explanations obtained.

The College Principal, Gill Matini, continues to assume responsibility for the day to day running of the College, whilst acting, with the trustees, as the College's ambassador in relation to other like-minded organisations.

Pay and remuneration of the Principal and senior management staff are set by the trustees based on agreed objectives and performance targets whilst also taking into account movements in the Consumer Price Index (CPI).

In this most challenging and difficult of years, the trustees sincerely thank the Principal, staff and tutors, who so ably and willingly supported the College and allowed it to operate throughout the year.

The College is not part of a wider group and there are no related parties with which it cooperates in pursuit of its charitable objectives.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The College is one of the world's oldest educational bodies dedicated to the exploration of psychic and spiritual phenomena.

It provides excellence in education and training whilst facilitating direct experience of consciousness, awareness and spiritual growth. It is unrivalled as a trusted source of information, guidance and tuition on the widest range of spiritual subjects.

In directing the College's activities and formulating its future plans, the trustees have paid due regard to the Charity Commission guidance on public benefit.

2020 was a year of exceptional challenge and change with the Covid pandemic necessitating a complete re-think of how we deliver our activities, the technology required and the consequent effect on staffing structure and numbers.

In March the College took an early decision to move our activities online. Fortunately, the recruitment of a Digital Manager was in place, and our website was adapted to manage online bookings and payments. Staff and tutors were introduced to Zoom as our preferred delivery channel and social media became our main promotional avenue rather than a printed programme.

This necessitated a complete review of our staffing structure and the skills required. Through to October the College augmented furlough payments to staff under the Coronavirus Job Retention Scheme. In October a new staffing structure was implemented to respond to the new digital environment. Four members of staff chose to take redundancy and we thank them for their contribution over many years.

Gill Matini, our Principal, and the new team rose magnificently to the challenge in adapting to a new digital environment. Our initial focus was to offer our courses online and other of our activities were added as the year progressed. Our tutors, not all of whom were familiar with Zoom, were offered the necessary training, and client feedback from their events was excellent.

Our website was adapted to cope with online bookings and payments whilst work on our new website continued. Our original specification required significant change to reflect the new online operation and again we were supported superbly by our web developer and graphic designer.

Without this huge effort and commitment from staff, tutors and our external support teams, it is no exaggeration to say that the future of the College would have been in doubt.

The financial results for the year reflect the disruption caused by the pandemic, staff redundancy costs and grants received under the Coronavirus Job Retention Scheme. Revenues in 2020 were £745,306 (2019 £1,037,095). An overall deficit of £214,038 (2019 surplus of £198,441) was recorded and charged to reserves after losses on investments of £54,083 (2019 net gains on investments of £243,235).

ACHIEVEMENT AND PERFORMANCE

Future plans

The trustees have set their plans for 2021 assuming continued disruption from the pandemic.

Despite this our focus on reducing our operating deficit remains our key objective.

The primary means of delivering our educational material will continue to be online. This provides opportunities to attract a national and international client base without the constraints of a central London location and the physical limitations of small teaching rooms. It also allows us to reduce costs through online bookings and payments. We believe that these opportunities, coupled with savings through online operations, will allow us to reduce our deficit.

Our plans for 2021 are therefore to deliver our new website optimised for online operations and client ease of use, invest in our digital strategy and optimise the reach of College social media to widen our client base. The recruitment of a digital strategist will be considered.

Alongside this we plan to rebuild our programme of events to pre-pandemic levels and beyond. Within this we do not envisage, for example, running any overseas retreats in 2021, and there are significant constraints on operating our renowned healing course. Our initial priority is to rebuild our workshop levels to pre-pandemic levels or above.

We plan to trial opportunities for joint marketing initiatives with overseas organisations in allied fields of work but complementary to our areas of expertise and excellence. This is intended to extend and increase our international reach.

On the completion of the sale of our investment property in Farnham we will review our investment strategy with our investment managers Investec Wealth and Management. The planned reduction in operating deficit will allow us to focus on a total return basis for investment decisions, rather than one focussed on income and dividends. This should increase overall returns in the longer term.

Finally, the trustees are aware of the inherent risks of relying on digital delivery of the College's material and will therefore review the security and resilience of our IT systems and equipment.

Our new Trustees with their digital, corporate and business experience will be involved in these initiatives as well as in updating governance policies, reviewing the adequacy and scope of our insurance cover, liaising with our investment managers and refreshing and updating our HR policies and recruitment processes to both attract and retain key staff. We thank them all for their invaluable contribution.

FINANCIAL REVIEW

Financial position

The financial performance is detailed in the attached accounts. The comparative figures (for the year ended 31 December 2019) have been restated, as explained in note 12 to the accounts.

The College's main sources of income are the courses, workshops, lectures and individual consultations it provides to clients, and the investment income it receives on its investments.

The College's activities were severely disrupted by the Covid pandemic and the decision was taken to close the College premises from 22 March 2020. This closure remained in force throughout the rest of the year.

£55,638 was received under the Coronavirus Job Retention Scheme.

Redundancy costs of £28,994, together with additional payments in lieu of notice and for holiday pay totalling £29,583, were incurred as a result of restructuring the team on the move to online working.

During the year there was a deficit of £159,955 (2019 £44,794) on the College's operations before gains and losses on investments.

After taking into account realised investment losses of £68,125 (2019 realised investment gains of £13,797) and unrealised investment gains of £14,042 (2019 £229,438), an overall deficit of £214,038 (2019 surplus of £198,441) was recorded.

There is no material pension liability affecting the financial position of the College.

Investment policy and objectives

The trustees have wide powers of investment granted by the College's Memorandum and Articles.

The overall objective of the investment policy is to create sufficient income and capital growth to enable the College to carry out its purposes consistently year by year.

The trustees have delegated discretionary investment management responsibilities to Investec Wealth and Management, of 2 Gresham Street, London EC2V 7QP, who have a dedicated Charities Portfolio Management Team. The investment managers have been given the objective of a long-term return of 3% above RPI with a minimum income of £60,000 per annum. The latter objective was not achieved during the year due to the pandemic increasing uncertainty and disrupting the UK economy with restrictions on dividend payments imposed by H M government.

With the introduction of MiFID II into Law on 3 January 2018, the trustees have decided to increase the permitted risk classification of the portfolio strategy from Medium Risk to Medium/Higher Risk (as defined by Investec Wealth and Management). The rationale behind this change is so that the investment manager may continue to manage the portfolio in the same manner as they have been since 2015 and it does not represent an intention by the investment manager to take a higher risk with regard to the investment strategy.

Apart from the financial objectives, the College has not set any other investment parameters for the investment managers.

During the year the investment property in Farnham was sold for gross proceeds of £600,000 to the existing tenant. £350,000 of the sales proceeds were received during the year, with the balance payable by instalments in 2021. The tenant continued to pay rent on the property under the existing lease up to the date of completion in May 2021.

Sufficient liquid funds are held to cope with fluctuations in the College's financial position.

FINANCIAL REVIEW

Reserves policy

The College has acquired, by legacies and donations, the property from which it operates and other investments. The income and capital growth from these investments is used to keep charges for the College's activities lower than they would otherwise be.

The trustees' objective is to achieve a balance between incoming resources and expenditure. Significant progress has been made over the last few years but this was reversed in 2020 due to the pandemic. The trustees have decided to maintain the minimum reserve level of £1.5m.

The total funds held by the College at 31 December 2020 were £2,877,299 and included restricted reserves amounting to £793.

The trustees have designated £3,480 of unrestricted funds leaving £2,873,026 of undesignated, unrestricted funds. Of the undesignated, unrestricted funds, £135,932 is represented by the functional fixed assets of the College and £458,374 relates to unrealised investment gains as at the balance sheet date.

The trustees therefore regard £2.28m (2019 £2.04m) of the charity's reserves as free reserves at the balance sheet date.

The amount of reserves is higher than the level targeted by the trustees and the trustees are of the opinion that this is reasonable while the College is working towards a balanced budget.

Risk factors

The major risks facing the College have been reviewed and systems and procedures have been established to manage these risks.

The operating deficit is clearly the main risk affecting the College.

The pandemic has increased the challenge of balancing expenditure with income. The general climate both economically and in terms of the pandemic remains uncertain. The College's central location in London and physical layout with many small rooms makes it vulnerable to any rise in infection levels despite investing in all reasonable mitigation measures. Illness amongst our staff and tutors is a major concern and threat to our continued operations. We will therefore be cautious in holding in-person events during 2021.

Although progress in reducing the deficit was reversed in 2020 due to the pandemic the trustees have taken measures to reduce costs and re-build income. These include reduced staffing levels, investing in a new website which accommodates online working, investment in digital marketing and social media and focussing on re-building our income particularly from workshops.

The risk and impact of breaches of digital security is increased with online working. A review of digital security will be carried out along with the implications of increased reliance on home working.

The risk from the loss of the property from which we operate in Queensberry Place has reduced due to online working. 16 Queensberry Place has been our home since 1925 as well a major financial asset. Due to the pandemic, it is no longer in daily use and we plan to invest in refurbishing the building to reduce any risk to its fabric and to improve security and surveillance systems.

The possible loss of key staff continues to be managed by updating our HR policies, practices and recruitment processes. Reduced numbers however increase the impact of losing staff.

In addition, the trustees continue to monitor the General Data Processing Regulations (GDPR) and to take steps to ensure compliance.

The College is aware that it must keep abreast of continual changes in its area of work and the needs of its clients as well as the activities of other workers and organisations in this field.

The College maintains professional indemnity cover on behalf of the trustees and the Principal.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The College of Psychic Studies for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Maximus Accountancy Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 30 July 2021 and signed on its behalf by:

G C Dart CBE - Trustee

Opinion

We have audited the financial statements of The College of Psychic Studies (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework (FRS 102, the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', the Charities Acts, and the Companies Act 2006), and the relevant tax compliance regulations. We also considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty, such as the General Data Protection Regulation (GDPR), and employment and health and safety regulations.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those charged with governance (the charitable company's trustees). We corroborated our enquiries through our review of the minutes of the trustees' meetings and the trustees' own risk assessment, as well as consideration of the results of our audit procedures.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by enquiries of management and those charged with governance, by reviewing the trustees' own risk assessment, and by considering our own knowledge of the charitable company's activities and its accounting system and controls. We also considered the existence of possible incentives to fraud.

Based on our understanding, we designed our audit procedures to identify significant instances of non-compliance with laws and regulations, and potential indicators of fraud. Our procedures involved enquiries of management and those charged with governance as to their knowledge of any instances of non-compliance with laws and regulations and any known instances of fraud (whether internal or external), review of the minutes of trustees' meetings, focussed audit testing, manual journal testing and an overall review of the general ledger transactions for the year. We also considered whether any judgements made in making accounting estimates are indicative of potential bias, including in respect of revenue recognition. Our procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
The College of Psychic Studies

Use of our report

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

Hilary Julian BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Maximus Accountancy Services Limited
47 Kensington Road
Chichester
West Sussex
PO19 7XS

20 August 2021

The College of Psychic Studies

Statement of Financial Activities

(Incorporating an Income and Expenditure Account)

for the Year Ended 31 December 2020

		Unrestricted funds	Restricted fund	2020 Total funds	2019 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	82,109	-	82,109	4,131
Charitable activities	4				
Interviews with sensitives		89,100	-	89,100	142,185
Courses, workshops and lectures including outreach activities		422,597	-	422,597	651,045
Annual subscriptions paid by members		48,026	-	48,026	59,098
Publications, library and other activities including room hire		14,093	-	14,093	56,016
Investment income	3	89,381	-	89,381	124,620
Total		745,306	-	745,306	1,037,095
EXPENDITURE ON					
Raising funds	5	17,120	-	17,120	22,484
Charitable activities	6				
Interviews with sensitives		51,710	-	51,710	83,073
Courses, workshops and lectures including outreach activities		155,080	-	155,080	264,194
Publications, library and other activities including room hire		56,266	-	56,266	63,484
Administration costs		397,615	-	397,615	372,929
Establishment costs		143,787	-	143,787	196,516
Finance and professional costs		83,683	-	83,683	79,209
Total		905,261	-	905,261	1,081,889
Net gains/(losses) on investments		(54,083)	-	(54,083)	243,235
NET INCOME/(EXPENDITURE)		(214,038)	-	(214,038)	198,441
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		2,816,704	793	2,817,497	2,690,931
Prior year adjustment	12	273,840	-	273,840	201,965
As restated		3,090,544	793	3,091,337	2,892,896
TOTAL FUNDS CARRIED FORWARD		2,876,506	793	2,877,299	3,091,337

The notes form part of these financial statements

Balance Sheet
31 December 2020

		Unrestricted funds	Restricted fund	2020 Total funds	2019 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	13	97,602	-	97,602	58,645
Tangible assets	14	38,330	-	38,330	61,479
Investments					
Investments	15	2,583,561	-	2,583,561	2,253,806
Investment property	16	-	-	-	585,000
		<hr/>	<hr/>	<hr/>	<hr/>
		2,719,493	-	2,719,493	2,958,930
CURRENT ASSETS					
Stocks	17	19,736	-	19,736	12,304
Debtors	18	322,368	-	322,368	350,884
Cash at bank and in hand		42,508	11,474	53,982	47,323
		<hr/>	<hr/>	<hr/>	<hr/>
		384,612	11,474	396,086	410,511
CREDITORS					
Amounts falling due within one year	19	(227,599)	(10,681)	(238,280)	(278,104)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		<hr/>	<hr/>	<hr/>	<hr/>
		157,013	793	157,806	132,407
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/>	<hr/>	<hr/>	<hr/>
		2,876,506	793	2,877,299	3,091,337
NET ASSETS		<hr/>	<hr/>	<hr/>	<hr/>
		2,876,506	793	2,877,299	3,091,337
FUNDS	21	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds:					
General fund				2,414,652	2,160,276
Beard Memorial Lecture Fund				1,985	1,985
Laverne Fund				1,495	2,560
Fair value reserve				458,374	925,723
				<hr/>	<hr/>
				2,876,506	3,090,544
Restricted funds:					
LIGHT Production Fund				793	793
				<hr/>	<hr/>
TOTAL FUNDS				<hr/>	<hr/>
				2,877,299	3,091,337

Balance Sheet - continued

31 December 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30 July 2021 and were signed on its behalf by:

G C Dart CBE - Trustee

K Forsythe - Trustee

Cash Flow Statement
for the Year Ended 31 December 2020

	Notes	2020 £	2019 as restated £
Cash flows from operating activities			
Cash generated from operations	1	25,174	(234,108)
Net cash provided by/(used in) operating activities		25,174	(234,108)
Cash flows from investing activities			
Purchase of intangible fixed assets		(55,340)	(29,978)
Purchase of tangible fixed assets		(3,718)	(11,017)
Purchase of fixed asset investments		(793,759)	(368,559)
Sale of fixed asset investments		394,921	491,009
Sale of investment property		350,000	-
Rent received		33,893	39,626
Interest received		638	143
Dividends received		54,850	84,851
Net cash (used in)/provided by investing activities		(18,515)	206,075
Change in cash and cash equivalents in the reporting period		6,659	(28,033)
Cash and cash equivalents at the beginning of the reporting period		47,323	75,356
Cash and cash equivalents at the end of the reporting period		53,982	47,323

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019 as restated
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(214,038)	198,441
Adjustments for:		
Depreciation charges	29,222	32,621
Losses/(gain) on investments	54,083	(243,235)
Loss on disposal of fixed assets	14,028	-
Interest received	(638)	(143)
Dividends received	(54,850)	(84,851)
Rent received	(33,893)	(39,626)
(Increase)/decrease in stocks	(7,432)	826
Decrease/(increase) in debtors	278,516	(102,820)
(Decrease)/increase in creditors	(39,824)	4,679
Net cash provided by/(used in) operations	25,174	(234,108)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	47,323	6,659	53,982
	<u>47,323</u>	<u>6,659</u>	<u>53,982</u>
Total	<u>47,323</u>	<u>6,659</u>	<u>53,982</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared on the going concern basis and are presented in sterling which is the functional currency of the charity.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income received in respect of events which have yet to take place is deferred, as is the proportion of membership subscriptions received that relates to future periods.

Government grants are recognised in the period to which they relate.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

The majority of the charity's costs relate to the performance of its charitable activities. Other costs are allocated to their expenditure category based on their nature.

Intangible assets

Intangible assets are digital assets including website development costs which are capitalised when they are separable assets of continuing use to the charity, and are amortised over 5 years on a straight line basis. The amortisation of digital assets is included in establishment costs in the SoFA.

Tangible fixed assets

Fixed assets costing over £500 are capitalised. No depreciation is provided on freehold property on the grounds that it would be immaterial. Depreciation is charged on a straight line basis on fixtures, fittings and equipment based on the trustees' estimate of their expected useful lives which is currently 3 to 10 years.

Investment property

The investment property is carried at fair value based on its most recent valuation, with changes in its fair value recognised in 'net gains / (losses) on investments' in the SoFA. The aggregate surplus or deficit arising from the change in its value is transferred to a fair value reserve.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investments

Investments are recognised initially at fair value which is normally the transaction price. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors and creditors payable or receivable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. DONATIONS AND LEGACIES

	2020	2019 as restated
	£	£
General donations	208	69
Healing donations	763	4,062
Legacies	25,500	-
Grants	55,638	-
	<u>82,109</u>	<u>4,131</u>

Grants received, included in the above, are as follows:

	2020	2019 as restated
	£	£
Coronavirus Job Retention Scheme grants	<u>55,638</u>	<u>-</u>

3. INVESTMENT INCOME

	2020	2019 as restated
	£	£
Rents received	33,893	39,626
Dividends received	54,850	84,851
Deposit account interest	51	143
Interest on VAT refund	587	-
	<u>89,381</u>	<u>124,620</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

4. INCOME FROM CHARITABLE ACTIVITIES

		2020	2019 as restated
	Activity	£	£
Sittings income	Interviews with sensitives	89,100	142,185
Courses, workshops and lectures	Courses, workshops and lectures including outreach activities	422,597	651,045
Membership subscriptions	Annual subscriptions paid by members	48,026	59,098
Publications and other income	Publications, library and other activities including room hire	14,093	56,016
		<u>573,816</u>	<u>908,344</u>

5. RAISING FUNDS

Raising donations and legacies

	2020	2019 as restated
	£	£
Bank charges	-	100
	<u>-</u>	<u>100</u>

Investment management costs

	2020	2019 as restated
	£	£
Portfolio management	16,215	18,112
Investment property repairs and other costs	905	4,272
	<u>17,120</u>	<u>22,384</u>

Aggregate amounts	<u>17,120</u>	<u>22,484</u>
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6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Interviews with sensitives	51,710	-	51,710
Courses, workshops and lectures including outreach activities	155,080	-	155,080
Publications, library and other activities including room hire	56,266	-	56,266
Administration costs	-	397,615	397,615
Establishment costs	-	143,787	143,787
Finance and professional costs	-	83,683	83,683
	<u>263,056</u>	<u>625,085</u>	<u>888,141</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. SUPPORT COSTS

	Management	Finance	Other	Governance	Totals
	£	£	£	costs	£
Administration costs	390,246	-	7,369	-	397,615
Establishment costs	-	-	143,787	-	143,787
Finance and professional costs	-	81,183	-	2,500	83,683
	<u>390,246</u>	<u>81,183</u>	<u>151,156</u>	<u>2,500</u>	<u>625,085</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	as restated £
Auditors' remuneration	2,500	2,427
Depreciation - owned assets	22,433	25,833
Deficit on disposal of fixed assets	14,028	-
Digital assets amortisation	6,789	6,788
Income from operating leases	<u>(33,893)</u>	<u>(39,626)</u>

In addition to the auditors' remuneration disclosed above, support costs includes £7,166 (2019 £5,515) in respect of other financial services provided by the auditor.

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

A total of £2,259 (2019 £7,862) was reimbursed to two trustees (2019 three trustees) during the year in respect of travel and subsistence expenses whilst performing their duties as trustees.

10. STAFF COSTS

	2020	2019
	£	as restated £
Wages and salaries	323,218	256,263
Social security costs	26,641	21,783
Other pension costs	8,334	8,215
	<u>358,193</u>	<u>286,261</u>

The figure for wages and salaries above includes redundancy payments of £28,944 and £23,248 for payments in lieu of notice and £6,335 for accrued holiday pay. No amounts were unpaid at the year end.

Other pension costs are in respect of defined contribution plans.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

10. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2020	2019 as restated
Management and administration	8	10

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019 as restated
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds as restated £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,131	-	4,131
Charitable activities			
Interviews with sensitives	142,185	-	142,185
Courses, workshops and lectures including outreach activities	651,045	-	651,045
Annual subscriptions paid by members	59,098	-	59,098
Publications, library and other activities including room hire	52,859	3,157	56,016
Investment income	124,620	-	124,620
Total	1,033,938	3,157	1,037,095
EXPENDITURE ON			
Raising funds	22,484	-	22,484
Charitable activities			
Interviews with sensitives	83,073	-	83,073
Courses, workshops and lectures including outreach activities	264,194	-	264,194
Publications, library and other activities including room hire	60,327	3,157	63,484
Administration costs	372,929	-	372,929
Establishment costs	196,516	-	196,516
Finance and professional costs	79,209	-	79,209
Total	1,078,732	3,157	1,081,889
Net gains on investments	243,235	-	243,235
NET INCOME	198,441	-	198,441

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted fund	Total funds as restated
	£	£	£
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	2,690,138	793	2,690,931
Prior year adjustment	201,965	-	201,965
As restated	2,892,103	793	2,892,896
TOTAL FUNDS CARRIED FORWARD	3,090,544	793	3,091,337

12. PRIOR YEAR ADJUSTMENT

During the year the charity received confirmation from HM Revenue & Customs (HMRC) that face-to-face courses, workshops and lectures, and similar live online events, should be classified as education, and that the income received from these activities is therefore exempt from value added tax (VAT). As a result, the charity made a retrospective claim for output tax that had incorrectly been accounted for to HMRC in respect of the income derived from exempt activities in earlier years (restricted by law to the four years prior to when the claim was agreed). The charity received a net refund of VAT, after taking into account irrecoverable input tax, of which just over £280k was in respect of years prior to the year ended 31 December 2020, and this has been treated as a prior year adjustment in these accounts. The comparative figures (for the year ended 31 December 2019) have therefore been restated, leading to an increase in income for the year ended 31 December 2019 of just over £110k, and an increase in expenditure due to irrecoverable input tax of nearly £32k. The overall effect of the restatement has been to reduce the deficit for the year ended 31 December 2019 by £72k, after also taking into account the adjustment to deferred income arising from the VAT correction. The reserves brought forward at 1 January 2019 have been increased by £202k.

13. INTANGIBLE FIXED ASSETS

	Digital assets £
COST	
At 1 January 2020	109,166
Additions	55,340
Disposals	(9,594)
At 31 December 2020	154,912
AMORTISATION	
At 1 January 2020	50,521
Charge for year	6,789
At 31 December 2020	57,310
NET BOOK VALUE	
At 31 December 2020	97,602
At 31 December 2019	58,645

Amortisation of digital assets is included in establishment costs in the SoFA.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and hardware £	Totals £
COST			
At 1 January 2020	9,016	402,623	411,639
Additions	-	3,718	3,718
Disposals	-	(49,552)	(49,552)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	9,016	356,789	365,805
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2020	-	350,160	350,160
Charge for year	-	22,433	22,433
Eliminated on disposal	-	(45,118)	(45,118)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	-	327,475	327,475
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	9,016	29,314	38,330
	<hr/>	<hr/>	<hr/>
At 31 December 2019	9,016	52,463	61,479
	<hr/>	<hr/>	<hr/>

In the opinion of the trustees the market value of the freehold property on an existing use basis is £7-8m. This is based on a professional valuation obtained in February 2015, and a further professional valuation obtained in June 2021.

The College also benefits from collections of historic books and works of art which are not capitalised as they have not been formally valued, although they are estimated to have a value in the region of £300,000 for insurance purposes. The costs of obtaining such a valuation are considered to be onerous when compared to the benefit that would be derived.

The College's collections are made available to scholars and students as appropriate as well to the public at events such as exhibitions held by the College, or when items are loaned to third parties to exhibit.

15. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 January 2020	2,242,970	10,836	2,253,806
Additions	501,944	291,815	793,759
Disposals	(394,921)	-	(394,921)
Revaluations	(69,083)	-	(69,083)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	2,280,910	302,651	2,583,561
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	2,280,910	302,651	2,583,561
	<hr/>	<hr/>	<hr/>
At 31 December 2019	2,242,970	10,836	2,253,806
	<hr/>	<hr/>	<hr/>

Included in the market value of listed investments is £841,449 (2019 £532,643) which relates to securities listed outside the UK.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

15. FIXED ASSET INVESTMENTS - continued

Included in the change in valuation for the year are £83,125 of realised losses and £14,042 of unrealised gains. The historical cost of the investments held at the balance sheet date was £1,822,536 (2019 £1,723,066) and the fair value reserve relating to them was £458,374 (2019 £519,904).

16. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2020	585,000
Disposals	(585,000)
	<hr/>
At 31 December 2020	-
	<hr/>
NET BOOK VALUE	
At 31 December 2020	-
	<hr/>
At 31 December 2019	585,000
	<hr/>

During the year the investment property was sold for gross proceeds of £600,000 to the existing tenant. £350,000 of the sales proceeds was received during the year, with the balance payable by instalments in 2021. The tenant continued to pay rent on the property under the existing lease up to the date of completion in May 2021.

17. STOCKS

	2020	2019 as restated
	£	£
Books for resale	2,697	2,725
Cabinet items for resale	17,039	9,579
	<hr/>	<hr/>
	19,736	12,304
	<hr/>	<hr/>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019 as restated
	£	£
Trade debtors	-	27,310
Other debtors	290,272	280,497
Prepayments and accrued income	32,096	43,077
	<hr/>	<hr/>
	322,368	350,884
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019 as restated
	£	£
Trade creditors	35,895	22,355
Social security and other taxes	16,673	6,810
VAT	2,375	42,419
Deferred income	172,881	197,203
Accrued expenses	10,456	9,317
	<u>238,280</u>	<u>278,104</u>

Income is deferred where the conditions for recognition have not been met at the balance sheet date. The deferred income above relates to events taking place after the balance sheet date for which payment had been received in advance, grants received for which the expenditure has yet to be incurred, and the proportion of membership subscriptions received during the year which relate to the next accounting period. The majority of the deferred income at each year end is recognised in the following accounting period except where payment in full has been made for courses lasting more than a year in which case the income received is recognised over the duration of the course.

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019 as restated
	£	£
Within one year	1,070	2,140
Between one and five years	-	1,070
	<u>1,070</u>	<u>3,210</u>

Operating lease payment of £2,140 (2019 £2,140) were recognised as an expense during the year.

21. MOVEMENT IN FUNDS

	At 1.1.20 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds					
General fund	1,886,436	273,840	(212,973)	467,349	2,414,652
Beard Memorial Lecture Fund	1,985	-	-	-	1,985
Laverne Fund	2,560	-	(1,065)	-	1,495
Fair value reserve	925,723	-	-	(467,349)	458,374
	<u>2,816,704</u>	<u>273,840</u>	<u>(214,038)</u>	<u>-</u>	<u>2,876,506</u>
Restricted funds					
LIGHT Production Fund	793	-	-	-	793
	<u>2,817,497</u>	<u>273,840</u>	<u>(214,038)</u>	<u>-</u>	<u>2,877,299</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	745,306	(904,196)	(54,083)	(212,973)
Laverne Fund	-	(1,065)	-	(1,065)
	<u>745,306</u>	<u>(905,261)</u>	<u>(54,083)</u>	<u>(214,038)</u>
TOTAL FUNDS	<u>745,306</u>	<u>(905,261)</u>	<u>(54,083)</u>	<u>(214,038)</u>

Comparatives for movement in funds

	At 1.1.19 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds					
General fund	1,919,687	201,965	198,441	(159,817)	2,160,276
Beard Memorial Lecture Fund	1,985	-	-	-	1,985
Laverne Fund	2,560	-	-	-	2,560
Fair value reserve	765,906	-	-	159,817	925,723
	<u>2,690,138</u>	<u>201,965</u>	<u>198,441</u>	<u>-</u>	<u>3,090,544</u>
Restricted funds					
LIGHT Production Fund	793	-	-	-	793
	<u>2,690,931</u>	<u>201,965</u>	<u>198,441</u>	<u>-</u>	<u>3,091,337</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,033,938	(1,078,732)	243,235	198,441
Restricted funds				
LIGHT Production Fund	3,157	(3,157)	-	-
	<u>1,037,095</u>	<u>(1,081,889)</u>	<u>243,235</u>	<u>198,441</u>

The LIGHT Publications Fund consists of donations from the Pelegrin Trust for the production of two issues of LIGHT a year.

Included in the unrestricted funds are funds designated by the trustees as follows. The Beard Memorial Lecture Fund exists to fund an annual lecture in memory of the family of Paul Beard, a former president of the College. The Laverne Fund is designated to provide bursaries. All designated funds are represented by cash.

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

23. POST BALANCE SHEET EVENTS

In common with similar organisations, the charity has been affected by the outbreak of the Covid-19 virus, and the decision was taken to close the College premises early for the normal spring break, from 22 March 2020.

Subsequent lockdowns and high levels of Covid infections meant that the College did not open again for in person events until June 2021 for the summer.

Trustees remain cautious regarding the pandemic and no in person events are currently planned beyond August 2021.

Our full and expanding range of online events have proved popular with a national and international audience and will continue.