

NETHERHALL EDUCATIONAL ASSOCIATION

(Limited by Guarantee)

Company No. 793583

**Registered as a charity in England and Wales (No. 236586)
and in Scotland (No. SC039209)**

TRUSTEES' REPORT

AND

AUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30th SEPTEMBER 2023

Netherhall Educational Association
(Limited by Guarantee)
Company Information

Trustees

X. Bosch, BA, FCA (chairman)
A.J. Curtis, MA, PhD
A.J. Hegarty, MA, DPhil
E.A.V Thompson
A. Tucker
J. Valero, MSc, DIC
H.B.Trust, MA
R Rosales, PhD

Secretary

J.P. Covenden, BA, LL.B

Auditors

UHY Ross Brooke
Suite I Windrush Court,
Abingdon Business Park,
Abingdon
OX14 1SY

Bankers

HSBC Bank plc
69 Pall Mall
London
SW1Y 5EZ

Solicitors

McCarthy Denning
70 Mark Ln
London EC3R 7NQ

Registered Office

18a Netherhall Gardens
London
NW3 5TH

Netherhall Educational Association
(Limited by Guarantee)
Trustees' Annual Report 30th September 2023

The Trustees, who are the company directors of Netherhall Educational Association (NEA), submit their Annual Report together with the Accounts and Auditors' report for the year ended 30th September 2023. The Trustees during the year ended 30th September 2023 were those listed on page 1. Dr Raul Rosales and Mr Howard Trust were appointed as Trustees on 25 October 2023 and 25 January 2024 and their appointments were approved by the board on 12 June 2024; apart from that the Trustees remained unchanged at the date the accounts were signed.

Netherhall Educational Association is a company limited by guarantee (No. 793583), its governing document being the Memorandum and Articles of Association last amended on 16th March 2008. It is a registered charity in England & Wales (No. 236586) and in Scotland (No. SC039209). The financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 2011.

The Trustees form the Council of NEA, which has power to appoint new Trustees who serve until such time as they resign or are required to withdraw as stipulated by the Council. New Trustees are recruited from among NEA's volunteers and supporters, with a view to achieving a balance of skills and talents. They are provided with Charity Commission guidance on the roles and responsibilities of charity trustees, and they also receive informal training designed to supplement the knowledge and training they have already received from participation in the activities of NEA.

Objects and Activities

The objects of NEA are the advancement of education and learning and the training of character in accordance with Christian principles and ideals.

To achieve this, NEA aims to provide all-round formation for people of all ages, especially the young, to help them develop their talents to the full and use them in the service of society.

This personal development is seen as a harmonious union of all the following components:

- *academic and professional development* which enables men and women to do their work well, and to be more aware that study and work are principal means both of personal growth and of serving others;
- *social development* which promotes understanding and empathy with others regardless of background, race or creed, and fosters friendships and co-operation across cultural divides;
- *character development* which is founded on human virtues such as sincerity, loyalty, self-discipline, service to others and a spirit of hard work, with a deep appreciation of personal freedom and the corresponding responsibility; and
- *spiritual development* which allows men and women to find God in their family and working lives and to practise Christian principles and ideals.

Activities and Public Benefit

To achieve the aims set out above, NEA

- owns and operates a variety of centres in Great Britain, including halls of residence for students in higher education, clubs with study facilities for young people, vocational training centres, and venues for residential courses and seminars;
- supports a number of educational and social projects outside Great Britain whose aims are consonant with its own.

The Trustees confirm that in accordance with section 17 of the Charities Act 2011 they have due regard to public benefit guidance published by the Charity Commission. They confirm that the all-round formation imparted in and from the centres of NEA is for the benefit of the public in general.

All the activities – including those of religious formation, which are entrusted to Opus Dei, a personal prelature of the Catholic Church – are open to all who wish to participate, regardless of race, creed, or social background.

Outreach in the form of the promotion of formational activities outside NEA's centres means that participation is available to many more people than those who live in the residential centres or attend the clubs regularly.

Netherhall Educational Association
(Limited by Guarantee)
Trustees' Annual Report 30th September 2023 (continued)

Strategic Report

Achievements and Performance

In order to assess how successful it has been each year in meeting its aims, NEA has established a number of measures for its rolling plan which is updated each year. Performance against the targets which were approved for 2022/23 is described under the four headings shown in the Review of Performance. Targets for 2023/24 are also in place, and performance against them will be reported on in the next Trustees' Report.

Plans for Future Periods

The year 2022/23 marked the return to normal, post-pandemic operations notably for NEA's halls of residence and residential conference centre. Future plans revolve around implementing the expansion of Wickenden Manor for which planning approval has been obtained, a planning submission for Grandpont House by Easter 2024 and developing an architectural project for Netherhall House and Lakefield Hospitality College.

NEA continues to enjoy a wide base of supporters who work voluntarily in the delivery of its charitable objectives as well as advising and supporting the Trustees in governance and management. The Trustees greatly appreciate the help of generous individuals – often of modest circumstances – that have enabled the charity to go forward. NEA plans to consolidate its current centres and activities and look for new opportunities in future years.

Review of Performance

The Activities of the Centres

Target: in each centre a programme of activities for the benefit of the charity's beneficiaries.

NEA achieved this target through:

residential activity centres: the halls of residence, Netherhall House and Orme Court in London and Grandpont House in Oxford, provided full residential accommodation as well as programmes of lectures and seminars to supplement the formal academic studies for residents and others; Lakefield Training Centre continued to provide residential vocational training and work experience for trainees within the hospitality industry;

residential and non-residential programmes: courses aimed at character and spiritual development of men and women of all ages were organised at Crosmore and Orme Court in London, and at Wickenden Manor in Sussex;

clubs and study centres: Dunreath in Glasgow and Kelston in London provided academic and recreational activities for youngsters of school age, including summer social projects aimed at assisting the disadvantaged. The activities which formerly were carried out from NEA's now-closed centre, Westpark, are now carried out from Elmore, the centre at 8 Orme Court;

The programme of events and activities in furtherance of NEA's aims is described and illustrated in greater detail through publications and web sites (links are provided from www.nea.netherhall.org.uk).

Target: each centre to work within its headline (break-even) budget carrying out prudent measures for the upkeep of the fabric and equipment.

during 2022/23 the Trustees worked with the management committee of each centre on producing budgets and cash-flow forecasts which reflected the post-pandemic reality of income, expenditure, and charitable support available to enable the delivery of the centre's charitable activities. The budget included routine maintenance work, with advice where necessary from suitable professionals.

Support for International Projects

Target: obtain funding to provide support for selected projects consonant with NEA's objectives.

During 2022/23, NEA received donations for International Projects, including associated *Gift Aid*, of £7,055. From funds collected NEA's Trustees made an award £5,510 to the Pontifical University of the Holy Cross in Rome after the established checks had been carried out to ensure that the recipient was a *bona-fide* not-for-profit body with aims consonant with those of NEA.

Netherhall Educational Association
(Limited by Guarantee)
Trustees' Annual Report 30th September 2023 (continued))

Financial Review

Financing

Target: raising of donations that will enable the repayment of the loans by which NEA has financed the acquisition of its premises and major refurbishments.

During the year donations from supporters of £1,074,685 compared to £1,237,885 the previous year. Through the local management committees, the Trustees are reviewing the balance between regular and one-off donations with a view to ensuring a year-on-year increase in the former. They are aware that there is a wide base of supporters who contribute to the funds of NEA as well as working voluntarily in the delivery of charitable objectives. They expect the charity will be able to go forward with their generous help.

Target: the administration of other income streams which enable capital repayments to be made.

Income from Charitable Activities was £677,261 in 2022/23 compared to £404,406 the previous year. A significant cause of this is the one-off effect of all the activities of Netherhall House now falling within the charity rather than partially in the two subsidiary companies now in liquidation. NEA has been able to add just under £100,000 to its reserves rather than reducing them by £600,000 the previous year. The Trustees welcome this and the charity will work to continue to do so in order to secure capital repayments.

The administrative costs of running the charity continue to be very low, due to our broad base of skilled volunteers who carry out much of the work for each of the centres and for the running of the charity as a whole: Note 6 to the Accounts reflects the fact that only one of the nine centres has paid administrative staff, and the head office functions with only two paid employees.

Development of existing and new centres

Target: the development of existing and new centres with funding arranged and repayment plans in place.

Preliminary professional works started for the implementation of the expansion of Wickenden Manor for which planning approval was granted in 2021/2022. The Trustees and professionals worked towards a planning submission for Grandpont House for Easter 2024. Consultants worked with the management committees of Netherhall House and Lakefield Hospitality College for a refurbishment of the 1960s premises.

Risk Management

The Trustees are aware that NEA's activities depend for their continuance on voluntary income from regular and one-off donations. By the nature of NEA and its work, these donations proceed in the main from long-term supporters committed to on-going help for the activities carried out from the centres which they are funding. The Trustees make extensive efforts, personally and through others, to maintain a continual relationship with these supporters and to increase their number.

The Trustees have furthermore undertaken an assessment of the risks, both operational and financial, to which NEA is exposed. They believe they have procedures in place to manage and reduce risks:

- to human life and welfare, by the adoption of health & safety policies and training;
- to young or vulnerable people, by having in place suitable policies and procedures;
- to incoming resources from non-charitable rental income, by suitable insurance;
- to operational and investment tangible assets, by appropriate maintenance and insurance; and
- to charity resources, by appropriate control procedures.

The Trustees believe they are thereby addressing the main risks to the continuance of NEA and its activities and taking measures consistent with the nature of the Charity and its resources. The trustees are increasingly aware of the importance of climate change on our operations and the impact the Charity can have on climate. They are devising a strategy to reduce the impact on climate of our operations and to assess the impact of climate change on our operations.

Netherhall Educational Association
(Limited by Guarantee)
Trustees' Annual Report 30th September 2023 (continued)

Review of Subsidiaries

As reported last year, Netherhall Residences plc and New Netherhall Residences plc – whose principal activity was the provision of the rented accommodation aspect of the hall of residence at Netherhall House – surrendered their leases on parts of Netherhall House to the charity on 30 May 2022. They ceased to trade from that date, the provision of accommodation subsequently being carried out by the charity. At the time of signing these accounts approval was awaited from HMRC for their liquidation; and the charity's investment in these subsidiaries is still reflected in the balance sheet of the Charity for 30 September 2023. These financial statements are therefore for the Charity alone.

Netherhall International College's principal activity is the provision of short courses in English during summer vacations at Netherhall House. The Company was dormant in 2022/23.

Investment Policy

During 2011/12, NEA was gifted UK and overseas equities with a market value at the time of acceptance of £71,348. At that time the Trustees decided to retain these holdings in the expectation of annual income and capital growth. They review this decision regularly.

In 2001 and 2003, NEA purchased 3 and 2 Orme Court, London W2 with the intention of transferring ownership of these properties at a future date to Dawcliffe Hall Educational Foundation, another registered charity with similar objectives, so that the two charities can run joint projects. At 1st October 2022 NEA's books still showed the loan of £5,099,874 from the other charity used to purchase the properties. The transfer of this programme-related investment to the other charity was completed during 2022/23 for nil consideration and writing back the loan. The bank loan has been repaid using income from renting the properties. This is detailed in Note 10b.

NEA also holds as investments buildings which it has acquired on sites adjacent to its operational properties. The rental income from these properties have helped service the mortgage or other loans with which the properties were purchased. In the longer term these properties may become premises from which NEA will carry out its charitable activities.

Reserves Policy

Total reserves at 30th September 2023 amounted to £29,673,044 (2022 £29,573,190) of which £44,933 (2022 £87,135) were restricted. The Trustees have designated £564,603 (2022 £549,112) for three named memorial funds generally in support of students, and £23,089,361 (2022 £29,141,845) representing the net book value of NEA's operational and investment properties less associated outstanding borrowings. Taking into account property transfers, at 30th September 2023, therefore, NEA's free unrestricted funds stood £5,974,147 (2022 negative £204,902). This represents just of two years' annual expenditure and will be reduced as partial funding for future capital development. NEA's longer-term policy is to work towards a situation where year-on-year surpluses can be added to the free reserves to support both NEA's on-going operations and its commitments in respect of its fixed assets. This policy will be reviewed annually.

As explained in Note 2 to the Financial Statements the Trustees take the view that the NEA is a going concern. NEA enjoys a wide base of supporters who work voluntarily and give generously to the Charity and therefore continues to adopt the going concern basis in preparing its financial statements.

Netherhall Educational Association
(Limited by Guarantee)
Trustees' Annual Report 30th September 2023 (continued)

Statement on Fundraising

NEA obtains its voluntary income predominantly from its supporters and those who participate in its activities. It does not make appeals to the general public. The Trustees are satisfied that they comply as applicable with the requirements of The Charities (Protection and Social Investment) Act 2016. In this context there are no participators, vulnerable persons are protected, and no complaints have been received.

Statement of Trustees' Responsibilities

Auditors

UHY Ross Brooke have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 and the trustees have approved their appointment for another year.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Netherhall Educational Association for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.


The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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
- they 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.

Date: 20.6.24

By Order of the Council



Director

Independent Auditor's Report to the Members and Trustees of Netherhall Educational Association

Opinion

We have audited the financial statements of Netherhall Educational Association (the 'charitable company') for the year ended 30 September 2023 which comprise of the Statement of Financial Activities, the charitable company 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023, 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, the Charities SORP 2019, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 strategic report and the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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 gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates and considered the risk of the charitable company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the charitable company this included compliance with Companies Act 2006, Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

The risks were discussed with the audit team, and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management and officers of the charitable company and a review of legal fees in the period.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates, including the valuation of investments.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Caroline Webster FCA (Senior Statutory Auditor)

For and on behalf of
UHY Ross Brooke
Chartered Accountants
Statutory Auditors

Suite I,
Abingdon Business Park,
Abingdon,
OX14 1SY

21/06/24

Netherhall Educational Association - Year to 30th September 2023
Statement of Financial Activities including Income and Expenditure Account

	Note	Unrestricted Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME						
Charitable activities	3	901,686			901,686	544,588
Donations and legacies						
Regular donations	3	1,057,630	10,000	7,055	1,074,685	1,237,885
One-off donations and bequests	3/18		-	-	-	
Investment income						
Investment properties		671,677	5,491	93	677,261	404,406
Interest and dividends						3,582
Other income		91,775	-	-	91,775	526,344
Gain on transfer of 2 and 3 Orme Court	10b	50,290	-	-	50,290	-
Gain on liquidation of two subsidiaries	10d	20,713	-	-	20,713	-
Total Income		<u>2,793,771</u>	<u>15,491</u>	<u>7,148</u>	<u>2,816,410</u>	<u>2,716,805</u>
EXPENDITURE						
Raising funds	4	(159,902)	-	-	(159,902)	(275,408)
Charitable activities						
Residential activity centres	4	(1,602,699)	-	-	(1,602,699)	(1,143,476)
Residential and non- residential programmes	4	(374,152)	-	-	(374,152)	(450,290)
Clubs and study centres	4	(783,510)	-	-	(783,510)	(598,265)
Grants	4/18	-	-	(5,510)	(5,510)	-
Total Expenditure		<u>(2,920,263)</u>	<u>-</u>	<u>(5,510)</u>	<u>(2,925,773)</u>	<u>(2,467,439)</u>
Unrealised and realised gains/(losses)						
Investment properties	10	150,000	-	-	150,000	(816,400)
Listed investments	10	13,656			13,656	(326)
Exchange differences		<u>45,561</u>	<u>-</u>	<u>-</u>	<u>45,561</u>	<u>(23,570)</u>
Net						
Income/(Expenditure)	8	82,725	15,491	1,638	99,854	(590,930)
Transfers between Funds	18	6,096,324	(6,052,484)	(43,840)	-	-
Net Movements in funds		<u>6,179,049</u>	<u>(6,036,993)</u>	<u>(42,202)</u>	<u>99,854</u>	<u>(590,930)</u>
Balance Brought Forward		(204,902)	29,690,957	87,135	29,573,190	30,164,120
Total Funds	19/20	<u>5,974,147</u>	<u>23,653,964</u>	<u>44,933</u>	<u>29,673,044</u>	<u>29,573,190</u>

There were no recognised gains or losses other than those shown above.

All activities relate to continuing operations.

The notes on pages 13 onwards form part of these financial statements.

Netherhall Educational Association - Year to 30th September 2023
Balance Sheet at 30th September 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed Assets					
Tangible assets	9		20,040,446		20,168,123
Programme related investments	10b		-		5,049,584
Investments	10a		<u>12,524,946</u>		<u>13,140,306</u>
			32,565,392		38,358,013
Current Assets					
Debtors and Prepayments	11	78,956		65,473	
Cash at bank and in hand	12	<u>978,774</u>		<u>1,068,635</u>	
		1,057,730		1,134,108	
Creditors: Amounts falling due within one year	13	<u>(2,150,929)</u>		<u>(2,671,706)</u>	
Net Current Liabilities			<u>(1,093,199)</u>		<u>(1,537,598)</u>
Total Assets less Current Liabilities			31,472,193		36,820,415
Creditors: Amounts falling due after more than one year					
Mortgages and other loans	14		(1,799,149)		(7,247,225)
			<u>29,673,044</u>		<u>29,573,190</u>
Funds	19/20				
Unrestricted:					
General fund			5,974,147		(204,902)
Designated:					
Jeremy White Memorial Fellowship Fund		544,197		538,809	
Michael Richards Memorial Fund		10,406		10,303	
Richard Stork Memorial Fund		10,000		-	
Properties Reserve		<u>23,089,361</u>		<u>29,141,845</u>	
			23,653,964		29,690,957
Restricted:					
Jeremy White Memorial Bursary Fund		9,356		9,263	
International Projects		<u>35,577</u>		<u>77,872</u>	
			44,933		87,135
			<u>29,673,044</u>		<u>29,573,190</u>

The notes on pages 13 onwards form part of these financial statements.

Approved and authorised by the Council on 20.6.24

Trustee

Company Number 793583

Netherhall Educational Association - Year to 30th September 2023
Cash Flow Statement

	Notes	2023 £	2023 £	2022 £	2022 £
Net Cash Inflow from Operating Activities	22		569,782		4,694,499
Returns on Investments and Servicing of Finance					
Bank interest paid		(154,918)		(157,444)	
Interest received		-		3,582	
Net Cash Outflow from Returns on Investments and Servicing of Finance			(154,918)		(153,862)
Taxation			-		-
Capital Expenditure and Financial Investment					
Payments to acquire tangible fixed assets		(236,030)		(278,090)	
Payments on (acquisition)/disposal of Programme Related investments		-		261,378	
Payments on (acquisition)/disposal of Investment properties		-		-	
Payments on (acquisition)/disposal of Subsidiaries		-		-	
Net Cash Inflow (Outflow) from Capital Expenditure and Financial Investment			(236,030)		(16,712)
Net Cash Inflow (Outflow) before Financing			178,834		4,523,925
Financing					
New long-term loans		-		-	
Repayment of long-term loans		(268,695)		(4,219,822)	
Increase/(Decrease) in Cash			(89,861)		304,103
Reconciliation of Net Cash Flow to Movement in Net Debt					
			2023 £		2022 £
Increase/(decrease) in cash			(89,861)		304,103
Write down of long-term loans			5,099,874		-
Repayment of long-term loans			268,695		4,219,822
Movement in Net Debt in the Year			5,278,708		4,523,925
Net debt at 1st October (Note 22)			(7,741,324)		(12,265,249)
Net Debt at 30th September (Note 22)			(2,462,616)		(7,741,324)

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements

Note 1

Objects and Organisation of the Association

The Association is a registered charity for the advancement of education within the Christian ideal, incorporated under the Companies Act 2006, limited by guarantee and having no share capital. (As from 15th October 1980, the word 'Limited' is omitted by licence of the Secretary of State for Trade.) It is organised as follows:

- ownership of various properties, the financing of the related mortgages, fund-raising activities, and general administration are the responsibility of the Association;
- the properties are run as independent centres and their operation is the responsibility of the various local management committees; they are run according to the principles of the Association, and to achieve its objects.

Note 2 Accounting Policies

Accounting Convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company is a public benefit company as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

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

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going Concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of NEA to continue as a going concern for at least another 12 months from the date of approval of the financial statements. They note that net current assets are negative which in other circumstances would be a cause for concern. This is an on-going issue and it is principally due to fact that there is just over £1m in personal loans in theory repayable on demand. In the opinion of the Trustees it is unlikely that such an immediate repayment may be requested, and if it were requested, there are resources (cash and near cash assets) to repay those loans. The Trustees have also considered NEA's forecasts and projections and have taken account of pressures on income and cost-of-living concerns. The Trustees take the view that, with suitable cash-flow management, these do not threaten long-term sustainability of the charity. NEA enjoys a wide base of supporters who work voluntarily and give generously to the Charity, a number of whom have made interest-free loans. The Trustees are aware over the years NEA's net current liabilities have been negative. This results from those loans from supporters being payable on demand. Having reviewed forecasts, cashflows and budgets for at 12 months from the date of signing these accounts to determine the going concern status, the Trustees conclude that there is a reasonable expectation that NEA has adequate resources to continue in operational existence for the foreseeable future. NEA therefore continues to adopt the going concern basis in preparing its financial statements.

Notes on Accounts of Subsidiary Companies

As noted in the section on Subsidiary Companies in the Trustees' Report, NEA's two plc subsidiaries ceased to trade in 2021/2022 and are in liquidation. NEA's other subsidiary company is dormant. Thus, unlike previous years, these accounts are those of Netherhall Educational Association alone, and comparative figures given relate merely to this Company.

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Accounting Policies (continued)

Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund.

Depreciation of Fixed Assets

Freehold land is not depreciated. The Trustees have used the transitional arrangements of FRS102 with regards to revalued assets to be carried at deemed cost. The cost or valuation of other tangible fixed assets is depreciated by annual instalments over their expected useful lives as follows:

Long leasehold buildings	50 years
Freehold buildings	50 – 200 years
Furniture and fittings	10 years
Motor vehicles	4 years

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the general reserve.

The carrying values of tangible fixed assets are reviewed for impairment in periods where events or changes in circumstances indicate that the carrying value may not be recoverable.

The capitalisation threshold is set at £2,500.

Financial Instruments

The charity has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all its financial instruments (and has no instruments required to be accounted for under Section 12 “Other Financial Instruments”). Financial instruments are recognised in the charity’s balance sheet when the charity becomes party to the contractual obligations of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, where there is a legally enforceable right of set off and an intention to settle the net amount. With the exceptions of prepayment, deferred income and balances due to/from HMRC, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. Other financial instrument assets include investments which are measured at fair value, with movements in unrealised gains as disclosed in note 10.

Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Programme related investments – properties

Properties which are used to help fulfil the charity’s objectives are initially recognised at cost and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect if necessary for any impairment. Any impairment losses are immediately recognised in the Statement of Financial Activities.

Investments

Some of the group’s properties are held for long-term investment. The costs of investment properties include, where

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Accounting Policies (continued)

appropriate, interest on capital employed, capitalised during their development periods. Investment properties are accounted for in accordance with FRS 102, as follows:

- investment properties are revalued, and the aggregate surplus or deficit is transferred to the investment property revaluation reserve; where the total of the investment property revaluation reserve is insufficient to cover a deficit the excess is charged in the Statement of Financial Activities; and
- no depreciation is provided in respect of freehold investment properties.

The carrying values of investments in subsidiaries are reviewed for impairment annually if events or changes in circumstances indicate the carrying value may not be recoverable.

Income

All income is included in the Statement of Financial Activities on a receivable basis. Where income is received in advance, it is carried forward as deferred income and is released in the period to which it relates.

Allocation of Costs

Charitable expenditure includes salary costs of staff employed at the centres, depreciation of fixed assets owned by NEA, interest paid on NEA's loans and other charitable expenditure.

Support costs include the salary costs of the finance staff, depreciation of computer and other equipment and other administration expenditure. They are re-allocated to the other activities in line with expenditure on those activities.

Governance costs comprises audit fees and other compliance costs.

Expenditure is charged on an accruals basis. Grants payable are included in the Statements of Financial Activities when approved and communicated to a third party to create a constructive obligation.

Foreign currencies transactions

Unsecured loans expressed in foreign currencies have been translated into sterling at the rates of exchange ruling at the year-end date. All exchange gains/losses have been reflected in the statement of financial activities.

Fund Accounting

Unrestricted general funds are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are funds that are set aside by the Trustees out of general funds for specific future purposes or objects.

Restricted funds are funds that can only be used for specific purposes within the objects of the charity. Restrictions arise when specified by the donor(s).

Liabilities

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Critical accounting estimates and judgements

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Provisions. The Association makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the aging profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors.

Note 3 Donations and income from charitable activities

Donations include £267,745 (2022 – £250,639) for donations received by the various centres. No legacies were received during the year (2022 – nil). NEA is able to recover tax on donations received under GiftAid.

Income from charitable activities relates to residential fees, charges for courses and activities, and subscriptions.

As a charity, the Association is not liable to taxation on its income provided this is fully applied to the furtherance of its objects.

Note 4 Analysis of Expenditure

2022/23		Generating funds	Residential activity centres	Residential & non-residential activities	Clubs & study centres	Support Costs	2023 Total
	Note	£	£	£	£	£	£
Staff costs	6a	-	472,669	113,686	195,436	127,301	909,092
Depreciation	9	-	154,665	29,097	175,973	-	359,735
Interest paid	5	4,570	27,808	-	97,754	24,786	154,918
Catering		-	192,447	42,229	65,669	-	300,345
Light & heat		4,492	197,404	22,775	49,830	-	274,501
Rent & rates		-	4,337	7,216	5,765	-	17,318
Maintenance		107,567	118,655	22,031	16,426	-	264,679
Replacements		-	12,767	4,602	8,826	-	26,195
Other costs		30,601	298,632	102,865	105,738	43,217	581,053
Audit		-	-	-	-	32,427	32,427
Support Costs allocated pro rata on other expenditures.		12,672	123,315	29,651	62,093	(227,731)	-
		<u>159,902</u>	<u>1,602,699</u>	<u>374,152</u>	<u>783,510</u>	-	<u>2,920,263</u>
Charitable Grants	18						5,510
Total 2023							<u>2,925,773</u>

2021/22		Generating funds	Residential activity centres	Residential & non-residential activities	Clubs & study centres	Support Costs	2022 Total
	Note	£	£	£	£	£	£
Staff costs	6a	-	457,654	123,338	165,145	122,850	868,987
Depreciation	9	5,104	150,204	33,596	165,312	-	354,216
Interest paid	5	79,065	20,531	14,313	40,042	3,494	157,445
Catering		-	190,827	42,320	58,880	-	292,027
Light & heat		5,414	125,136	43,362	26,516	-	200,428
Rent & rates		1,791	4,396	7,584	7,359	-	21,130
Maintenance		134,154	100,722	16,590	39,687	-	291,153
Replacements		-	-	-	1,202	-	1,202
Other costs		30,957	15,438	138,248	53,015	19,845	257,503
Audit		-	-	-	-	23,348	23,348
Support Costs allocated pro rata on other expenditures.		18,923	78,568	30,939	41,107	(169,537)	-
		<u>275,408</u>	<u>1,143,476</u>	<u>450,290</u>	<u>598,265</u>	-	<u>2,467,439</u>
Charitable Grants	18						-
Total 2022		-					<u>2,467,439</u>

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Note 5 Mortgage and loan interest	2023	2022
	£	£
Interest on mortgages and bank loans	154,918	157,444

Note 6a Staff Costs	2023	2022
	£	£
Wages and salaries	845,473	796,469
Social security costs	50,326	75,432
Employer's pensions contribution	13,293	22,421
	909,092	894,322

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

	2023	2022
	Actuals	Actuals
Charitable work: activities and operational	10	7
domestic/catering	35	37
Management and administration	2	2
	47	46

No employee earned £60,000 per annum or more (2021 nil).

Note 6b Governance Structure and Key Management Personnel

The Association considers its key management personnel to be its Trustees. As set out in Note 7, their total employment benefits including employer pension contributions were £nil (2022: £nil). The Trustees delegate the day-to-day running of NEA to an Executive Committee of Trustees including the Chairman. They are in frequent contact and must refer major and strategic decisions to meetings of all the Trustees. There is no chief executive, the two members of "headquarters" staff reporting to the Executive Committee. Each of the Association's centres has a Management Committee - formed of volunteers or employed staff as appropriate to the centre - with authority to run the activities in and from that centre in accordance with plans and budgets agreed with the Executive Committee.

Note 7 Emoluments of Trustees

No Trustee received any remuneration for his services during the year (2022 - nil). During the year 2022/23 NEA paid the travel costs of one Trustee amounting to £757 (2022 - three Trustees £1,262).

Note 8 Net income

Net income is shown after charging:

	2023	2022
	£	£
Depreciation	359,735	420,537
Auditor's remuneration - audit services	23,348	23,348
Loss on disposal of Tangible Fixed Assets	44,533	1,545
Loss/(Gain) on disposal of Programme Related Investments	(50,290)	816,400
Loss/(Gain) on Liquidation of Subsidiaries	(20,713)	-

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Note 9 Tangible Fixed Assets

	Land & Buildings £	Furniture & Fittings £	Motor Vehicles £	Total £
Cost or valuation:				
At 1st October 2022	25,291,321	66,910	145,927	25,504,158
Additions during the year	220,055	-	15,975	236,030
Disposals	-	-	(20,158)	(20,158)
At 30th September 2023	<u>25,511,376</u>	<u>66,910</u>	<u>141,744</u>	<u>25,720,030</u>
Depreciation				
At 1st October 2022	5,163,535	66,643	105,857	5,336,035
Charge for the year	330,725	267	28,743	359,735
Depreciation on disposal	-	-	(16,186)	(16,186)
At 30th September 2023	<u>5,494,260</u>	<u>66,910</u>	<u>118,414</u>	<u>5,679,584</u>
Net Book Value				
At 30th September 2023	<u>20,017,116</u>	<u>-</u>	<u>23,330</u>	<u>20,040,446</u>
At 30th September 2022	<u>20,127,786</u>	<u>267</u>	<u>40,070</u>	<u>20,168,123</u>

The details of fixed assets are as follows - these revaluations have been taken as deemed costs following the transition to FRS102:

	2023	2022
<i>Land and buildings</i>	£	£
At cost	25,330,283	25,110,228
Transfers to Programme Related Property Investments	(6,112,628)	(6,112,628)
At Trustees' valuation - 2018	667,562	667,562
At professional valuation - 1996	1,601,159	1,601,159
At professional valuation - 1993	4,025,000	4,025,000
	<u>25,511,376</u>	<u>25,291,321</u>

Included in freehold property is Netherhall House, part of which was during 2021/2022 leased to Netherhall Residences plc and New Netherhall Residences plc.

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Included in land and buildings is an amount of £567,536 (2022 – £519,041) in respect of modification and refurbishment projects in progress, which is not depreciated. Subject to planning permissions these projects should be completed within five years.

A number of charges are in existence over the individual properties held by the organisation, as described in Note 15.

The net book value of land and buildings comprises:

	2023	2022 (Restated)
	£	£
Freehold	19,418,634	19,509,998
Long leasehold	598,482	617,788
	<u>20,017,116</u>	<u>20,127,786</u>

The restatement corrects a misallocation in the previous year's account.

Note 10a Fixed Asset Investments

At 30th September, fixed asset investments comprised the following:

	2023	2022
	£	£
Investment Properties (Note 10c)	5,278,622	5,128,622
Listed investments at market value	79,322	65,667
Investments in subsidiary undertakings	7,167,002	7,946,017
	<u>12,524,946</u>	<u>13,140,306</u>

Note 10b Programme Related Property Investments

	2023	2022
	£	£
Brought forward	5,049,584	9,464,273
Additions	-	-
Disposals	(5,049,584)	(4,414,689)
Carried forward	<u>-</u>	<u>5,049,584</u>

In 2001 and 2003, NEA purchased 3 and 2 Orme Court with the intention of transferring ownership of these properties at a future date to Dawliffe Hall Educational Foundation, another registered charity with similar objectives, so that the two charities can run joint projects. The properties were purchased with a £1,000,000 loan taken out by NEA and secured against one property, and £5,099,874 from the other charity. The bank loan has been repaid using income from renting the properties.

The transfer of these properties to Dawliffe Hall Educational Foundation took place on 31 December 2022 for zero consideration; this resulted in a net surplus of £50,290 in NEA's favour. The loan of £5,099,874 was cancelled producing the reduction in long-term liabilities shown in Note 14.

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Note 10c Investment Properties

	2023	2022
	£	£
Brought forward	5,128,622	5,390,000
Trustees' Revaluation	150,000	-
Disposals	-	(261,378)
Carried forward	<u>5,278,622</u>	<u>5,128,622</u>

Note 10d Investment in Subsidiary Companies

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

	Holding	Proportion of Voting Rights and Shared Held	Nature of Business
<i>Subsidiary undertakings</i>			
Netherhall Residences plc	Ordinary shares	100%	Property Rental
New Netherhall Residences plc	Ordinary shares	100%	Property Rental
Netherhall International College Limited	Ordinary shares	100%	Education

Since their incorporation Netherhall Residences plc and New Netherhall Residences plc had had leases on parts of Netherhall House and rented rooms to student residents. On 30 May 2022 they surrendered the leases to the Charity. They ceased to trade from that date, the provision of accommodation subsequently being carried out by the Charity. At the time of signing these accounts approval was awaited from HMRC for their liquidation; and the Charity's investment in these subsidiaries is still reflected in the balance sheets for 30 September 2023. A surplus of £20,713 arising from this transaction has been taken to Statement of Financial Activities for 2022/23.

The business of Netherhall International College Limited is English language courses. The Company is dormant.

All of the subsidiaries are incorporated in England and registered in England and Wales.

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Note 11 Debtors and Prepayments

	2023	2022
	£	£
Tax recoverable	67,872	105,825
Other debtors	11,084	(60,758)
Prepayments	-	20,406
	<u>78,956</u>	<u>65,473</u>

Note 12 Cash at bank and in hand

	2023	2022
	£	£
Restricted	44,933	87,135
Unrestricted	933,841	981,500
	<u>978,774</u>	<u>1,068,635</u>

Note 13 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Secured mortgage loans (Note 15)	450,496	299,035
Other unsecured loans (Note 16)	1,191,745	1,263,699
Other taxes and social security	22,721	18,776
Other creditors	91,663	74,030
Accruals and deferred income	198,912	151,275
Amounts owed to subsidiaries	195,392	864,891
	<u>2,150,929</u>	<u>2,671,706</u>

Deferred Rental Income

	2023	2022
	£	£
Balance as at 1st October 2022	34,167	38,693
Released during the year	(34,167)	(38,693)
Deferred during the year	38,693	34,167
	<u>38,693</u>	<u>34,167</u>
Balance carried forward at 30th September 2023		

Netherhall Educational Association - Year to 30th September 2023
Notes to the Financial Statements (continued)

Note 14 Creditors: Amounts falling due after more than one year

	2023	2023	2022	2022
	£	£	£	£
Secured mortgage loans (see Note 15)				
- repayable after more than one year but within five years	592,908		1,152,934	
- repayable after more than five years	<u>876,415</u>		<u>5,850,859</u>	
		1,469,323		7,003,793
Unsecured loans (see Note 16)				
- repayable after more than one year but within five years	329,826		243,432	
- repayable after more than five years	<u>-</u>		<u>-</u>	
		<u>329,826</u>		<u>243,432</u>
		<u>1,799,149</u>		<u>7,247,225</u>

The long term secured loans at 30th September 2022 included £5,099,874 previously disclosed separately and relates to loans on programme related investments (see note 10b)

Note 15 Secured Loans

All secured loans are secured on the freehold property of both the tangible assets and programme related property investments. Interest is payable at both fixed and variable rates which, as at 30th September 2023, ranged between 1.86% to 4.0% above bank base-rate.

Secured loans due after more than one year are repayable by instalments until they are fully paid off in 2042.

	2023	2022
	£	£
Amounts falling due:		
in one year or less on demand	450,496	299,035
in more than one year but not more than two years	151,707	307,767
in more than two years but not more than five years	441,201	845,167
in more than five years	<u>876,415</u>	<u>5,850,859</u>
Total Secured Loans	1,919,819	7,302,828
Less: included in creditors –		
amounts falling due within one year (Note 13)	<u>(450,496)</u>	<u>(299,035)</u>
	<u>1,469,323</u>	<u>7,003,793</u>

Note 16 Unsecured Loans

	2023	2022
	£	£
Amounts falling due:		
in one year or less, or on demand	1,191,745	1,263,699
after one year but within five years	329,826	243,432
in more than five years	<u>-</u>	<u>-</u>
Total Unsecured Loans	1,521,571	1,507,131
Less: included in creditors –		
amounts falling due within one year (Note 13)	<u>(1,191,745)</u>	<u>(1,263,699)</u>
	<u>329,826</u>	<u>243,432</u>

Note 17 Taxation

As a charity NEA is exempt from both income and corporation tax as set out in Section 505 of the Income and Corporation Taxes Act 1988.

Group relief, where available, has been applied between subsidiary organisations details of which can be found on individual financial statements.

Netherhall Educational Association - Year to 30th September 2023
Notes to the Financial Statements (continued)

Note 18 Analysis of Designated and Restricted Resources

2022/2023	Opening Balance 1st Oct 22 £	Donation incl. GiftAid £	Income Credited £	Payments £	Transfers £	Closing Balance 30th Sep 23 £
<u>Designated Funds</u>						
Memorial Funds						
Jeremy White Fellowship	538,809	-	5,388	-	-	544,197
Michael Richards	10,303	-	103	-	-	10,406
Richard Stork	-	10,000	-	-	-	10,000
Fixed Assets	37,395,865	-	-	-	(12,126,797)	25,269,068
less debt associated with assets	(8,254,020)	-	-	-	6,074,313	(2,179,707)
TOTAL DESIGNATED	29,690,957	10,000	5,491	-	(6,052,484)	23,653,964

<u>Restricted Funds</u>						
Jeremy White Memorial						
Bursary Fund	9,263	-	93	-	-	9,356
International Projects						
Fundación Cardenas Rosales	42,475	-	-		(42,475)	-
Pontifical University of the						
Holy Cross, Italy	-	6,875	-	(5,510)	(1,365)	-
Saxum Project, Jerusalem	35,397	180	-	-	-	35,577
TOTAL RESTRICTED	87,135	7,055	93	(5,510)	(43,840)	44,933

2021/2022	Opening Balance 1st Oct 21 £	Donation incl. GiftAid £	Income Credited £	Payments £	Transfers £	Closing Balance 30th Sep 22 £
<u>Designated Funds</u>						
Jeremy White Memorial						
Fellowship Fund	533,474	-	5,335	-	-	538,809
Michael Richards Memorial						
Fund	10,201	-	102	-	-	10,303
Fixed Assets	42,215,924	-	-	-	(4,820,059)	37,395,865
less debt associated with assets	(12,048,681)	-	-	-	3,794,661	(8,254,020)
TOTAL DESIGNATED	30,710,918	-	5,437	-	(1,025,398)	29,690,957

<u>Restricted Funds</u>						
Jeremy White Memorial						
Bursary Fund	9,171	-	92	-	-	9,263
International Projects						
KDT - Ugwuoma Study						
Centre, Nigeria	-	-	-	-	-	-
Pontifical University of the						
Holy Cross	-	-	-	-	-	-
Fundación Cardenas Rosales	325	42,150	-	-	-	42,475
Saxum Project, Jerusalem	35,217	180	-	-	-	35,397
TOTAL RESTRICTED	44,713	42,330	92	-	-	87,135

Netherhall Educational Association - Year to 30th September 2023
Notes to the Financial Statements (continued)

Note 19 Movement on Reserves

2022/2023	At 1st October 2022	Income	Expenditure	Investment (Loss)/Gain (unrealised)	Exchange differences	Transfers in Year	At 30th September 2023
	£	£	£	£	£	£	£
Unrestricted: General	(204,902)	2,793,771	(2,920,263)	150,000	59,217	6,096,324	5,974,147
Designated	29,690,957	15,491	-	-	-	(6,052,484)	23,653,964
Restricted:	87,135	7,148	(5,510)	-	-	(43,840)	44,933
	<u>29,573,190</u>	<u>2,816,410</u>	<u>(2,925,773)</u>	<u>150,000</u>	<u>59,217</u>	<u>-</u>	<u>29,673,044</u>

2021/2022	At 1st October 2021	Income	Expenditure	Investment (Loss)/Gain (unrealised)	Exchange differences	Transfers in Year	At 30th September 2022
	£	£	£	£	£	£	£
Unrestricted: General	(580,570)	2,668,946	(2,478,379)	(816,727)	(23,570)	1,025,398	(204,902)
Designated	30,710,918	5,437	-	-	-	(1,025,398)	29,690,957
Restricted:	44,713	42,422	-	-	-	-	87,135
	<u>30,175,061</u>	<u>2,716,805</u>	<u>(2,478,379)</u>	<u>(816,727)</u>	<u>(23,570)</u>	<u>-</u>	<u>29,573,190</u>

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Note 20 Analysis of Assets between Funds

as at 30th September 2023

	Fixed Assets	Current Assets	Amounts falling due within 1 year	Creditors: Amounts falling due after 1 year	Total
	£	£	£	£	£
Unrestricted:					
General	7,296,324	448,194	(1,770,371)		5,974,147
Designated (see Note 18)	25,269,068	564,603	(380,558)	(1,799,149)	23,653,964
Restricted:	-	44,933	-	-	44,933
	<u>32,565,392</u>	<u>1,057,730</u>	<u>(2,150,929)</u>	<u>(1,799,149)</u>	<u>29,673,044</u>

as at 30th September 2022

	Fixed Assets	Current Assets	Amounts falling due within 1 year	Creditors: Amounts falling due after 1 year	Total
	£	£	£	£	£
Unrestricted:					
General	962,148	497,861	(1,664,911)	-	(204,902)
Designated (see Note 18)	37,395,865	549,112	(1,006,795)	(7,247,225)	29,690,957
Restricted:	-	87,135	-	-	87,135
	<u>38,358,013</u>	<u>1,134,108</u>	<u>(2,671,706)</u>	<u>(7,247,225)</u>	<u>29,573,190</u>

Note 21 Related Party Transactions

Mr X Bosch is a trustee of the Opus Dei Charitable Trust which paid £5,000 (2022 - £41,000) to NEA towards the expenses of running 4-6 Orme Court. Mr Bosch and Mr J Valero are trustees of the Greygarth Association which at 30th September 2023 had made an unsecured loan of £69,133 with NEA; there had been no movement since the previous 30th September.

Mr Bosch, Dr Curtis, Dr Hegarty, and Mr Valero are members of the resident management teams of some of the centres of NEA. They are required to live in and receive free accommodation at the centre whose activities they help organise, on the same basis as other non-trustee members of those management teams.

Netherhall Educational Association - Year to 30th September 2023

Notes to the Financial Statements (continued)

Note 22 Notes to the Statement of Cash Flows

(a) Reconciliation of net income for the year to net cash inflow from operating activities.

	2023	2022
	£	£
Net income for the year	99,854	(601,873)
Interest receivable	-	(3,582)
Interest payable	154,918	157,444
Realised gain on investments	-	-
Unrealised gain/(loss) on investments	(13,656)	327
Depreciation	359,735	354,217
Revaluation of investments	(150,000)	56,184
Loss on disposal of fixed assets	3,972	1,545
Decrease/(increase) in debtors and prepayments	(13,483)	319,001
Disposal of programme related assets	(50,290)	4,414,689
(Decrease)/increase in creditors and accruals	199,445	(3,453)
Liquidation of subsidiaries	(20,713)	-
Net cash inflow from operating activities	569,782	4,694,499

(b) Analysis of changes in net debt.

	At 1st October 2022	Cash Flow	At 30th September 2023
	£	£	£
Cash at bank and in hand	1,068,635	(89,861)	978,774
	1,068,635	(89,861)	978,774
Debt due within one year	(1,562,734)	(79,507)	(1,642,241)
Debt due after one year	(7,247,225)	5,448,076	(1,799,149)
Net debt	(7,741,324)	5,278,708	(2,462,616)

Note 23 Operating lease commitments and Post Balance Sheet events.

At the reporting end date NEA had contracted - with minimum lease payments as shown, with the following:

	2023	2022
	£	£
<u>Cognita Limited for Southbank School at 16 Netherhall Gardens, London NW3</u>		
Within one year	320,000	320,000
Between two and five years	1,280,000	1,280,000
In over 5 years	613,333	933,333
Total	2,313,333	2,533,333

Since the Balance Sheet date, NEA has entered into an agreement to sell for £3.25m the property at 1 Leopold Road, London W5 in which it operated its former centre, Westpark. Completion on the sale is expected to take place in October 2024.