

BUILDING CRAFTS COLLEGE

England & Wales · Charity number 312856

Details

Status Registered

Legal form Other

Registered 1964-02-03

Register [View on the Charity Commission register](#)

Contact

Address Carpenters' Hall
1 Throgmorton Avenue
London
EC2N 2JJ

Phone 02075887001

Email info@thebcc.ac.uk

Website www.thebcc.ac.uk

Activities

Objects: PROMOTING EDUCATION AND TRAINING IN BUILDING AND ALLIED CRAFTS AND TRADES IN ALL THEIR BRANCHES.

Activities: Promotion of education and training in the building and allied crafts and trades.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£3,501,342	£3,526,120	£143,425	41
2024-06-30	£3,312,273	£3,287,284	£171,505	39
2023-06-30	£3,020,132	£3,021,651	£141,052	38
2022-06-30	£2,850,593	£2,841,701	£140,539	40
2021-06-30	£2,687,896	£2,683,287	£135,233	43

Trustees

Name	Role	Appointed
THE WORSHIPFUL COMPANY OF CARPENTERS		

Linked charities

- SIR BANISTER FLETCHER TRUST (312856-1)
- H WESTBURY PRESTON'S GIFT (312856-2)
- ALFRED PRESTON PRIZE (312856-3)
- HARBEN'S GIFT (312856-4)
- JOHN WILLSON TRUST FUND (312856-5)
- G C BARNES PRIZE FUND (312856-6)
- KEN AUSTIN AWARD FUND (312856-7)

BUILDING CRAFTS COLLEGE

England & Wales - Charity number 312856

Accounts

**Building Crafts
College**

**Annual Report and
Accounts**

30 June 2025

Charity Registration Number
312856

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Legal and administrative information

Trustee	The Worshipful Company of Carpenters
Members of the Court	
The Master	Mr L Mallinson
Senior Warden	Mr J W Preston
Middle Warden	Vice Admiral P M Bennett
Junior Warden	Mr J A Greaves
	Mr V G Morton-Smith (emeritus 15 January 2025)
	Mr W S Haynes
	Mr J A C Wheeler
	Mr M O P May
	Mr M R Mathews
	Mr H M Lancaster (emeritus 4 December 2024)
	Mr M J Samuel
	Mr M R Mosley
	Mr M W F Felton
	Mr M H W Neal
	Mr A M Gregory-Smith
	Mrs R F Bower
	His Honour P W Birts KC
	Mr M Morrison
	Brigadier M J Meardon
	Dr A Zimble
Deputy Master	Dr L D G Grossman
The Clerk	Brigadier T J Gregson
Deputy Clerk/Financial Controller	Ms J L Brundell
The College Principal	Ms S L Bolingbroke
College address	Kennard Road Stratford London E15 1AH
Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ
Charity registration number	312856

Legal and administrative information

Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Bankers	C Hoare & Co 37 Fleet Street London EC4Y 1BT
Investment advisors	The Investments Committee of The Worshipful Company of Carpenters
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY
Surveyors	Daniel Watney LLP 165 Fleet Street London EC4A 2DW

Trustee's report Year to 30 June 2025

The Trustee presents its statutory report together with the accounts of the Building Crafts College (the "charity") for the year ended 30 June 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 16 to 19 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The charity is governed by a constitution last revised on 7 March 2006.

The overall responsibility for the charity lies with the Trustee, The Worshipful Company of Carpenters as represented by the Master, Wardens and Court of Assistants, the members of which are listed on page 1. Under the charity's constitution certain responsibilities are delegated to the Governors who are appointed by The Worshipful Company of Carpenters. Responsibility for the day to day management of the College is delegated to the College Principal who reports to the Court of The Worshipful Company of Carpenters on a monthly basis.

The Trustee, The Worshipful Company of Carpenters, which performs its function as Trustee through its Court of Assistants, appoints its Assistants from within its members, of which normally one is inducted each year.

The Trustee has considerable experience of the charity through the Court of Assistants. This experience has been gathered over many years and the Court's knowledge of the workings of the charity is extensive. Further training has been given to members of the Court during the year and is made available where appropriate. Professional advice is always sought where required.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal, the Deputy Principal and the Business Manager.

The remuneration of all staff, including the key management personnel, is reviewed each November, with changes implemented with effect from the following 1 January.

Risk management

The Trustee has assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and has reviewed them on an annual basis. The Trustee believes that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, it has established effective systems to mitigate those risks.

Structure, governance and management (continued)

Risk management (continued)

The key risks facing the College are as follows:

- ◆ Significant reputational damage, such as a poor Ofsted grading or safeguarding failure, might lead to the withdrawal of contracts and poor recruiting and retention. A failure to recruit to course targets at the start of the year is the greatest risk faced by the College. The only realistic remedial action is to launch fresh courses in January each year.
- ◆ Withdrawal of funding, either from the Worshipful Company of Carpenters or from government and other sources. The College guards against long term trends, such as the reduction in government funding for adults, by re-focussing course provision to match potential government income streams (hence the current emphasis on 16-18 year old learners and apprenticeships).
- ◆ Physical risk, such as fire or mechanical injury (Health & Safety). The Company has an insurance policy with the Livery Companies Mutual to protect the College against this risk.

These risks are reviewed constantly by the Governors and the Senior Management Team at the College.

Connected charities and related parties

The Worshipful Company of Carpenters is responsible for the management and administration of three other registered charities, details of which are given in note 17 to the accounts.

The College operates from premises leased from the Worshipful Company of Carpenters and from a connected charity, Carpenters' Company Charitable Trust. The College is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure.

Objectives and activities

The aims of the charity are the promotion of education and training in the building and allied crafts and trades.

The charity fulfils its principal aims through the operation of a college known as the Building Crafts College (the 'College') which is based in Stratford, London E15.

In addition, grants, scholarships and awards are made annually.

The main objectives for the year were to develop and expand construction based training courses.

Public benefit statement

The Trustee confirms that it has complied with its duty under section 4 of the Charities Act 2011. It has considered the public benefit guidance published by the Charity Commission and believes that it has followed its guidance in this area. The Trustee's report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes and the Trustee is satisfied that all such activities provide a public benefit.

Fundraising statement

The charity does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. During the current and prior year, the charity received no complaints about fundraising activities.

Achievements and activities

The College made significant progress during the 2024-25 academic year in meeting its recruitment targets for both study programmes and apprenticeships and consequently balancing its operational budget.

The Principal led the implementation of a new five-year growth strategy for the College following the Board of Governors and the Court of the Worshipful Company of Carpenters approval of the strategy in June 2024. The strategy sets out ambitious targets for growth in learners across all five core subject areas: Bench Joinery, Furniture Making and Design, Site Carpentry, Stonemasonry and Bricklaying.

The College has significantly increased the number of 16-18yr-olds recruited to study programmes over the last two years and has consequently increased space and facilities at both the Kennard Rd and Gibbins Rd sites for two new programmes: in Bricklaying and Site Carpentry.

Financial review

A summary of the results of the charity for the year can be found on page 12. Total income of the charity for the year amounted to £3,501,342 (2024 – £3,312,273) of which £ 1,215,698 (2024 – £1,530,049) comprised a grant from Carpenters' Company Charitable Trust. Total expenditure of the charity during the year increased from £3,287,284 to £3,526,120. This includes rental costs for the College of £526,000 (2024 – £526,000).

Reserves policy

The balance sheet shows total funds of £143,425 (2024 – £171,505) which comprise permanent endowment funds of £69,133 (2024 – £72,435) and restricted funds of £74,292 (2024 – £99,070). As explained above, the charity is dependent on the financial support of The Worshipful Company of Carpenters and it has no 'free' reserves.

Financial review (continued)

Investment policy

The charity has investments comprising COIF Charities Investment Fund units with a market value as at 30 June 2025 of £69,133 (2024 – £72,435).

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustee and takes into account income requirements, risk profile and its view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income. The Trustee is satisfied that its investment policy is being achieved.

Post balance sheet events and future plans

To drive the recruitment growth the College has increased the external engagement work it does and has had over 200 school-aged children visit the College for a tour and taster day experience during the academic year. Applications for the 2025-26 academic cycle are up and received earlier than in past years and as a result the College has had to implement waiting lists for most courses.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing accounts giving a true and fair view, the Trustee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Statement of Trustee's responsibilities (continued)

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Louise Mallinson', with a long horizontal flourish extending to the right.

L Mallinson

Master

The Worshipful Company of Carpenters (Trustee)

Approved on: 5 November 2025

Independent auditor's report to the Trustee of The Building Crafts College

Opinion

We have audited the accounts of The Building Crafts College (the 'charity') for the year ended 30 June 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the accounts which include the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

Our responsibilities and the responsibilities of the Trustee 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 and Accounts other than the accounts and our auditor's report thereon. The Trustee is responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

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

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

Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

Our objectives are to obtain reasonable assurance about whether the accounts 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.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with those charged with governance and management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011, the financial reporting framework referred to above and safeguarding regulations; and
- ◆ we understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management (and those responsible for legal and compliance procedures). We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Independent auditor's report 30 June 2025

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to it 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 charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

10 November 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 30 June 2025

	Notes	Un- restricted funds £	Restricted funds £	Endowment funds £	2025 Total funds £	2024 Total funds £
Income from:						
Donations and legacies	1	1,219,948	103,609	—	1,323,557	1,611,987
Investment income		2,002	—	—	2,002	1,953
Charitable activities	2	2,163,587	12,196	—	2,175,783	1,698,333
Total income		3,385,537	115,805	—	3,501,342	3,312,273
Expenditure on:						
Charitable activities	3	3,428,189	97,931	—	3,526,120	3,287,284
Total expenditure		3,428,189	97,931	—	3,526,120	3,287,284
Net (expenditure) income before (losses) gains on investments						
	4	(42,652)	17,874	—	(24,778)	24,989
Net (losses) gains on investments						
		—	—	(3,302)	(3,302)	5,464
Net (expenditure) income for the year						
		(42,652)	17,874	(3,302)	(28,080)	30,453
Transfers between funds						
	13	42,652	(42,652)	—	—	—
Net movement in funds						
		—	(24,778)	(3,302)	(28,080)	30,453
Reconciliation of funds:						
Fund balances brought forward at 1 July 2024		—	99,070	72,435	171,505	141,052
Fund balances carried forward at 30 June 2025		—	74,292	69,133	143,425	171,505

All of the charity's activities derived from continuing operations during the above two financial periods.

Statement of financial activities Year to 30 June 2025

	Notes	Un- restricted funds £	Restricted funds £	Endowment funds £	2024 Total funds £
<i>Income from:</i>					
<i>Donations and legacies</i>	1	1,539,212	72,775	—	1,611,987
<i>Investment income</i>		1,953	—	—	1,953
<i>Charitable activities</i>	2	1,692,184	6,149	—	1,698,333
<i>Total income</i>		<u>3,233,349</u>	<u>78,924</u>	<u>—</u>	<u>3,312,273</u>
<i>Expenditure on:</i>					
<i>Charitable activities</i>	3	<u>3,262,584</u>	<u>24,700</u>	<u>—</u>	<u>3,287,284</u>
<i>Total expenditure</i>		<u>3,262,584</u>	<u>24,700</u>	<u>—</u>	<u>3,287,284</u>
<i>Net (expenditure) income before gains on investments</i>	4	(29,235)	54,224	—	24,989
<i>Net gains on investments</i>		—	—	5,464	5,464
<i>Net (expenditure) income for the year</i>		(29,235)	54,224	5,464	30,453
<i>Transfers between funds</i>	13	29,235	(29,235)	—	—
<i>Net movement in funds</i>		—	24,989	5,464	30,453
<i>Reconciliation of funds:</i>					
<i>Fund balances brought forward at 1 July 2023</i>		—	74,081	66,971	141,052
<i>Fund balances carried forward at 30 June 2024</i>		<u>—</u>	<u>99,070</u>	<u>72,435</u>	<u>171,505</u>

All of the charity's activities derived from continuing operations during the above financial period.

Balance Sheet 30 June 2025

	Notes	2025 £	2024 £
Fixed assets			
Tangible fixed assets	8	402,292	396,510
Investments	9	69,133	72,435
		<u>471,425</u>	<u>468,945</u>
Current assets			
Stock		56,594	56,594
Debtors	10	322,472	303,498
Cash at bank and in hand		145,460	63,139
		<u>524,526</u>	<u>423,231</u>
Creditors: amounts falling due within one year	11	<u>(852,526)</u>	<u>(720,671)</u>
Net current liabilities		(328,000)	(297,440)
Total net assets		<u>143,425</u>	<u>171,505</u>
The funds of the charity:			
Funds and reserves			
Capital funds:			
Endowment funds	12	69,133	72,435
Income funds:			
Restricted funds	13	74,292	99,070
		<u>143,425</u>	<u>171,505</u>

Approved by the Trustee
and signed on its behalf by:



L Mallinson

Master

The Worshipful Company of Carpenters (Trustee)

Approved on: 5 November 2025

Statement of cash flows 30 June 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	163,560	85,091
Cash flows from investing activities:			
Investment income		2,002	1,953
Purchase of tangible fixed assets		(83,241)	(108,823)
Proceeds on disposal of tangible fixed assets		—	1,500
Net cash used in investing activities		(81,239)	(105,370)
Change in cash and cash equivalents in the year		82,321	(20,279)
Cash and cash equivalents at 1 July 2024	B	63,139	83,418
Cash and cash equivalents at 30 June 2025	B	145,460	63,139

Notes to the statement of cash flows for the year to 30 June 2025.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)	(28,080)	30,453
Adjustments for:		
Depreciation charge	77,459	81,053
Losses (gains) on investments	3,302	(5,464)
Investment income	(2,002)	(1,953)
Increase in stocks	—	(18,334)
Increase in debtors	(18,974)	(62,139)
Increase in creditors	131,855	61,475
Net cash provided by operating activities	163,560	85,091

B Analysis of cash and cash equivalents

	2025 £	2024 £
Total cash and cash equivalents: cash at bank and in hand	145,460	63,139

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 June 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 June 2025 with comparative information presented for the year to 30 June 2024.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the level of income to be recognised from government agencies; and
- ◆ the useful economic life of tangible fixed assets.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure. Therefore, the Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Principal accounting policies 30 June 2025

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and income from course fees and government agencies.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given with greater freedom of use, for example monies for core funding.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

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

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

Expenditure on charitable activities comprises the costs of operating a college including support costs and governance costs.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|----------------------------------|
| ◆ Leasehold improvements | 10% per annum based on cost |
| ◆ Furniture and general office equipment | 10 - 50% per annum based on cost |
| ◆ Plant and machinery | 10 - 25% per annum based on cost |

Principal accounting policies 30 June 2025

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Principal accounting policies 30 June 2025

Pension costs

Under the definitions set out in FRS 102, the Carpenters' Company Pension and Assurance Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Contributions to defined contribution schemes, including under auto-enrolment, have been charged in the statement of financial activities when payable.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Apart from fixed asset investments held at fair value (see above), basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand and debtors. Financial liabilities held at amortised cost comprise creditors.

Notes to the accounts 30 June 2025

1 Donations and legacies

	Un-restricted funds £	Restricted funds £	Total 2025 £	Un-restricted funds £	Restricted funds £	Total 2024 £
Grant from Carpenters' Company Charitable Trust	1,215,698	—	1,215,698	1,530,049	—	1,530,049
Donation from The Worshipful Company of Carpenters	—	53,834	53,834	—	22,700	22,700
Other donations	4,250	49,775	54,025	9,163	50,075	59,238
2025 Total funds	1,219,948	103,609	1,323,557	1,539,212	72,775	1,611,987

2 Income from charitable activities

	Un-restricted funds £	Restricted funds £	Total 2025 £	Un-restricted funds £	Restricted funds £	Total 2024 £
Course fees	677,338	—	677,338	524,195	—	524,195
Government agencies	1,474,919	12,196	1,487,115	1,157,696	6,149	1,163,845
Other income	11,330	—	11,330	10,293	—	10,293
2025 Total funds	2,163,587	12,196	2,175,783	1,692,184	6,149	1,698,333

3 Expenditure on charitable activities

	Un-restricted funds £	Restricted funds £	Total 2025 £	Un-restricted funds £	Restricted funds £	Total 2024 £
College operating costs						
Staff costs (note 5)	2,041,917	26,075	2,067,992	1,872,078	13,682	1,885,760
Rent	526,000	—	526,000	526,000	—	526,000
Tools	26,132	—	26,132	33,403	—	33,403
Materials	76,661	—	76,661	63,553	—	63,553
Light and power	123,958	—	123,958	143,953	—	143,953
Rates	22,728	—	22,728	18,649	—	18,649
Insurance	42,821	—	42,821	42,354	—	42,354
Equipment repairs and maintenance	63,815	53,834	117,649	60,098	7,260	67,358
Telephone and IT	82,967	—	82,967	80,262	—	80,262
Exhibitions and advertising	18,482	—	18,482	19,032	—	19,032
Cleaning	79,154	—	79,154	84,593	—	84,593
Books, printing and stationery	25,803	—	25,803	18,817	—	18,817
Depreciation	77,459	—	77,459	81,053	—	81,053
College prize giving	5,483	—	5,483	5,339	—	5,339
Exam fees	75,447	—	75,447	91,983	—	91,983
Student welfare	8,488	18,022	26,510	3,397	2,606	6,003
Management charge	30,000	—	30,000	30,000	—	30,000
Governance costs	24,100	—	24,100	24,980	—	24,980
Miscellaneous	76,774	—	76,774	63,040	1,152	64,192
2025 Total funds	3,428,189	97,931	3,526,120	3,262,584	24,700	3,287,284

4 Net (expenditure) income before (losses) gains on investments

This is stated after charging:

Charity	Un-restricted funds £	Restricted funds £	Total 2025 £	Un-restricted funds £	Restricted funds £	Total 2024 £
Staff costs (note 5)	2,041,917	26,075	2,067,992	1,872,078	13,682	1,885,760
Auditor's remuneration	24,100	—	24,100	24,980	—	24,980
Depreciation	77,459	—	77,459	81,053	—	81,053
Operating lease rentals	562,852	—	562,852	556,694	—	556,694

5 Employees and staff costs

	Un-restricted funds £	Restricted funds £	Total 2025 £	Un-restricted funds £	Restricted funds £	Total 2024 £
Wages and salaries	1,666,878	26,075	1,692,953	1,528,732	10,691	1,539,423
Social security costs	158,388	—	158,388	138,582	—	138,582
Other pension costs	126,656	—	126,656	110,725	—	110,725
Other staff costs	89,995	—	89,995	94,039	2,991	97,030
	2,041,917	26,075	2,067,992	1,872,078	13,682	1,885,760

Staff costs include redundancy costs of £nil (2024 – £nil).

The average number of employees during the year was 41 (2024 – 39).

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions) during the year was as follows:

	2025 Number	2024 Number
£60,000 - £69,999	1	—
£100,000 - £109,999	1	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal, the Deputy Principal (from June 2024) and the Business Manager.

The total remuneration (including taxable benefits, employer's pension contributions and employer's national insurance contributions) of the key management personnel for the year was £ 296,884 (2024 – £209,832).

6 Trustee's remuneration

None of the members of the Court of Assistants or the Governors received any remuneration in respect of their services as trustees during the year nor any reimbursement of expenses from the charity (2024 – £nil).

Notes to the accounts 30 June 2025

7 Taxation

Building Crafts College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Leasehold improvements £	Furniture and office equipment £	Plant and machinery £	Total £
Cost				
At 1 July 2024	266,374	390,770	382,642	1,039,786
Additions	17,294	28,725	37,222	83,241
At 30 June 2025	<u>283,668</u>	<u>419,495</u>	<u>419,864</u>	<u>1,123,027</u>
Depreciation				
At 1 July 2024	46,976	309,072	287,228	643,276
Charge in year	26,288	22,043	29,128	77,459
At 30 June 2025	<u>73,264</u>	<u>331,115</u>	<u>316,356</u>	<u>720,735</u>
Net book values				
At 30 June 2025	<u>210,404</u>	<u>88,380</u>	<u>103,508</u>	<u>402,292</u>
At 30 June 2024	<u>219,398</u>	<u>81,698</u>	<u>95,414</u>	<u>396,510</u>

9 Fixed asset investments

	2025 £	2024 £
Listed investments		
Market value at 1 July 2024	72,435	66,971
Unrealised (losses) gains on investments	(3,302)	5,464
Market value at 30 June 2025	<u>69,133</u>	<u>72,435</u>
Cost of listed investments at 30 June 2025	<u>6,558</u>	6,558

Listed investments comprise COIF Charities Investment Fund Income units.

10 Debtors

	2025 £	2024 £
Course fees and support including accrued income	1,166	1,857
Government agencies	115,241	105,770
Other debtors	37,145	21,637
Prepayments	<u>168,920</u>	<u>174,234</u>
	<u>322,472</u>	<u>303,498</u>

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Due to Carpenters' Company Charitable Trust	527,053	457,751
Due to The Worshipful Company of Carpenters	40,253	54,707
Other creditors and accruals	285,220	208,213
	852,526	720,671

12 Endowment funds

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 July 2024 £	Investment gains £	At 30 June 2024 £	Investment losses £	At 30 June 2025 £
John Willson Trust	8,727	712	9,439	(430)	9,009
Technical Education (general)	1,467	120	1,587	(72)	1,515
Sir Henry Harben's Gift	17,603	1,436	19,039	(868)	18,171
Alfred Preston's Prize Fund	8,106	661	8,767	(400)	8,367
Barnes' Gift	1,918	157	2,075	(95)	1,980
Sir Banister Fletcher Trust	11,830	965	12,795	(583)	12,212
Major C A A Robertson's Prize Fund 1996	12,981	1,059	14,040	(640)	13,400
C K Austin Fund	4,339	354	4,693	(214)	4,479
	66,971	5,464	72,435	(3,302)	69,133

The funds were established to provide income for prizes.

13 Restricted funds

The income funds of the charity include the following restricted funds.

	At 1 July 2024 £	Income £	Expenditure £	Transfers £	At 30 June 2025 £
Carpenters' Company funds	—	53,834	(53,834)	—	—
City & Guilds funds	48,694	24,000	—	(36,052)	36,642
16-18 Bursary funds	12,441	12,196	(18,022)	—	6,615
Adult Bursary funds	11,860	—	—	(6,600)	5,260
Portal Trust	26,075	25,775	(26,075)	—	25,775
	99,070	115,805	(97,931)	(42,652)	74,292

	At 1 July 2023 £	Income £	Expenditure £	Transfers £	At 30 June 2024 £
Carpenters' Company funds	—	22,700	(22,700)	—	—
City & Guilds funds	46,486	24,000	—	(21,792)	48,694
16-18 Bursary funds	13,735	6,149	—	(7,443)	12,441
Adult Bursary funds	11,860	—	—	—	11,860
ESFA Employer Incentives	2,000	—	(2,000)	—	—
Portal Trust	—	26,075	—	—	26,075
	74,081	78,924	(24,700)	(29,235)	99,070

13 Restricted funds (continued)

The transfers to unrestricted funds represents the utilisation of the funds to meet College fees in line with the terms of the funds.

The specific purposes for which the funds are to be applied are as follows:

- ◆ The Carpenters' Company funds were donations for specific purposes including repairs, capital expenditure and redundancy costs.
- ◆ The City & Guilds funds are to be used for students on specific courses.
- ◆ The 16-18 and Adult Bursary funds and ESFA Employer Incentives fund are for students on ESFA funded courses.
- ◆ The Portal Trust fund was provided for a marketing and engagement project called Aspiring Construction Crafts.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £
Fund balances at 30 June 2025				
are represented by:				
Fixed assets	402,292	—	69,133	471,425
Current assets	450,234	74,292	—	524,526
Creditors: amounts falling due within one year	(852,526)	—	—	(852,526)
Total net assets	—	74,292	69,133	143,425

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £
Fund balances at 30 June 2024				
are represented by:				
Fixed assets	396,510	—	72,435	468,945
Current assets	324,161	99,070	—	423,231
Creditors: amounts falling due within one year	(720,671)	—	—	(720,671)
Total net assets	—	99,070	72,435	171,505

15 Commitments

Operating leases

At 30 June 2025 the total future lease payments under non-cancellable operating leases were as follows:

Payable within	2025 £	2024 £
One year	564,051	559,412
Two to five years	1,281,191	1,651,152
	1,845,242	2,210,564

16 Pension commitments

Certain former employees of the charity are members of the "Carpenters' Company Pension and Assurance Scheme" which provides benefits based on final pensionable salary. The assets of the scheme are held separately from those of the sponsoring employer, The Worshipful Company of Carpenters, being invested with Legal and General Assurance in an Insurance Contract.

The contributions are determined on the basis of triennial valuations by a qualified actuary using the attained age method. The employers' contribution rate is 28.3% of pensionable pay and the employees' contribution rate is 6% of pensionable pay. The total charge for the year in these accounts is £nil (2024 – £ nil). The last active employee in the pension scheme took his pension from 5 October 2019.

A triennial valuation was carried out as at 1 July 2024 and showed that the market value of the scheme's assets was £2,174,000 and that the ongoing funding level was 77%.

The assumptions which have the most significant effect on the results of the valuation are as follows:

◆ RPI	3.3% p.a.
◆ Pension increases in payment	3.3% - 5.0% p.a.
◆ Discount rate	5.4% p.a.

The investment return on new contributions and existing assets will equal the funding discount rate used to calculate the liabilities.

The scheme has been closed to new members. New employees are able to join a group personal pension scheme administered by Aegon.

This scheme is a multi-employer scheme and it is not possible to identify the charity's share of the scheme assets and liabilities on a reasonable and consistent basis. Therefore, the pension costs have been accounted for as if it was a defined contribution scheme. As at 30 June 2025 there were no active members in the scheme.

16 Pension commitments (continued)

Some details concerning the scheme as a whole are set out below. The following information is based upon a full actuarial valuation of the scheme as at 1 July 2024 updated to 30 June 2025 by a qualified independent actuary using FRS 102 guidelines.

	2025 £	2024 £
Market value of assets	1,942,000	2,191,000
Present value of scheme liabilities	(2,611,000)	(2,747,000)
Deficit in the scheme – net pension liability	(669,000)	(556,000)

The assets in the scheme were:

	2025 £	2024 £
Pooled investment funds	1,942,000	2,191,000

The major assumptions used by the actuary were:

	2025	2024
Inflation	2.9%	3.2%
Rate of increase for pensions		
earned before 1 August 1998	5.0%	5.0%
earned after 31 July 1998	2.9%	3.2%
Discount rate for liabilities	5.6%	5.2%

17 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as Trustee of, the following charities which are registered with the Charity Commission:

- ◆ Carpenters' Company Charitable Trust: No 276996
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

During the year the charity received grants from Carpenters' Company Charitable Trust of £1,215,698 (2024 – £1,530,049), paid rent to Carpenters' Company Charitable Trust of £485,000 (2024 – £485,000) and paid rent to The Worshipful Company of Carpenters of £41,000 (2024 – £41,000). The charity incurred a management charge from The Worshipful Company of Carpenters for the year of £30,000 (2024 – £30,000) and received donations from The Worshipful Company of Carpenters of £53,834 (2024 – £22,700).

There were no other related party transactions requiring disclosure.

Amounts due to related parties are disclosed in note 11 to the accounts.

BUILDING CRAFTS COLLEGE

England & Wales - Charity number 312856

Accounts

**Building Crafts
College**

**Annual Report and
Accounts**

30 June 2024

Charity Registration Number
312856

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Legal and administrative information

Trustee	The Worshipful Company of Carpenters
Members of the Court	
The Master	Dr L D G Grossman
Senior Warden	Mr L Mallinson
Middle Warden	Mr S Corbett (resigned 22 October 2023)
Middle Warden	Mr J W Preston (installed 6 March 2024)
Junior Warden	Mr J W Preston (until 6 March 2024)
Junior Warden	Vice Admiral P M Bennett (installed 6 March 2024)
	Mr V G Morton-Smith
	Mr W S Haynes
	Mr J A C Wheeler
	Mr M O P May
	Mr M R Mathews
	Mr H M Lancaster
	Mr M J Samuel
	Mr M R Mosley
	Mr M W F Felton
	Mr M H W Neal
	Mr A M Gregory-Smith
	Mrs R F Bower
	His Honour P W Birts KC
	The Lord Flight, of Worcester (emeritus from 3 December 2023)
	Mr M Morrison
	Brigadier M J Meardon
Deputy Master	Dr A Zimbler
The Clerk	Brigadier T J Gregson
Deputy Clerk/Financial Controller	Ms J L Brundell
The College Principal	Ms S L Bolingbroke
College address	Kennard Road Stratford London E15 1AH

Legal and administrative information

Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ
Charity registration number	312856
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	C Hoare & Co 37 Fleet Street London EC4Y 1BT
Investment advisors	The Investments Committee of The Worshipful Company of Carpenters
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY
Surveyors	Daniel Watney LLP 165 Fleet Street London EC4A 2DW

The Trustee presents its statutory report together with the accounts of the Building Crafts College (the "charity") for the year ended 30 June 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 16 to 19 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The charity is governed by a constitution last revised on 7 March 2006.

The overall responsibility for the charity lies with the Trustee, The Worshipful Company of Carpenters as represented by the Master, Wardens and Court of Assistants, the members of which are listed on page 1. Under the charity's constitution certain responsibilities are delegated to the Governors who are appointed by The Worshipful Company of Carpenters. Responsibility for the day to day management of the College is delegated to the College Principal who reports to the Court of The Worshipful Company of Carpenters on a monthly basis.

The Trustee, The Worshipful Company of Carpenters, which performs its function as Trustee through its Court of Assistants, appoints its Assistants from within its members, of which normally one is inducted each year.

The Trustee has considerable experience of the charity through the Court of Assistants. This experience has been gathered over many years and the Court's knowledge of the workings of the charity is extensive. Further training has been given to members of the Court during the year and is made available where appropriate. Professional advice is always sought where required.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal, the Deputy Principal and the Business Manager.

The remuneration of all staff, including the key management personnel, is reviewed each November, with changes implemented with effect from the following 1 January.

Risk management

The Trustee has assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and has reviewed them on an annual basis. The Trustee believes that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, it has established effective systems to mitigate those risks.

Structure, governance and management (continued)

Risk management (continued)

The key risks facing the College are as follows:

- ◆ Significant reputational damage, such as a poor Ofsted grading or safeguarding failure, might lead to the withdrawal of contracts and poor recruiting and retention. A failure to recruit to course targets at the start of the year is the greatest risk faced by the College. The only realistic remedial action is to launch fresh courses in January each year.
- ◆ Withdrawal of funding, either from the Worshipful Company of Carpenters or from government and other sources. The College guards against long term trends, such as the reduction in government funding for adults, by re-focussing course provision to match potential government income streams (hence the current emphasis on 16-18 year old learners and apprenticeships).
- ◆ Physical risk, such as fire or mechanical injury (Health & Safety). The Company has an insurance policy with the Livery Companies Mutual to protect the College against this risk.

These risks are reviewed constantly by the Governors and the Senior Management Team at the College.

Connected charities and related parties

The Worshipful Company of Carpenters is responsible for the management and administration of three other registered charities, details of which are given in note 17 to the accounts.

The College operates from premises leased from the Worshipful Company of Carpenters and from a connected charity, Carpenters' Company Charitable Trust. The College is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure.

Objectives and activities

The aims of the charity are the promotion of education and training in the building and allied crafts and trades.

The charity fulfils its principal aims through the operation of a college known as the Building Crafts College (the 'College') which is based in Stratford, London E15.

In addition, grants, scholarships and awards are made annually.

The main objectives for the year were to develop and expand construction based training courses.

Public benefit statement

The Trustee confirms that it has complied with its duty under section 4 of the Charities Act 2011. It has considered the public benefit guidance published by the Charity Commission and believes that it has followed its guidance in this area. The Trustee's report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes and the Trustee is satisfied that all such activities provide a public benefit.

Fundraising statement

The charity does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. During the current and prior year, the charity received no complaints about fundraising activities.

Achievements and activities

A new Principal, Ms Selena Bolingbroke, was appointed in July 2023. The College made significant progress during the 2023-24 academic year in meeting its recruitment targets for both study programmes and apprenticeships and consequently balancing its operational budget.

The Principal led the development of a new five-year growth strategy for the College and the Board of Governors and the Court of the Worshipful Company of Carpenters approved the strategy in June 2024. The strategy sets out ambitious targets for growth in learners across all five core subject areas: Bench Joinery, Furniture Making and Design, Site Carpentry, Stonemasonry and Bricklaying. The strategy also sets out plans for developing the range of short courses and doubling the volume of learners enrolled on short courses.

The College invested in new teaching facilities at its Gibbins Road site to accommodate the new Bricklaying Diploma study programme for 16-18yr-olds. The workshops at the Kennard Road site were also enhanced with new machinery and tools.

A new marketing and engagement campaign was launched early in the academic year to enhance the College's profile and aid student recruitment. The focus was local schools and community partners as well as significantly more direct marketing on social media. Over the course of the year over 500 visits were made to the College for open days and college tours. As a result of improved stakeholder engagement the College was represented at the Royal Academy Summer Exhibition and took part in London Craft Week. Employer engagement was much more active and a range of employers visited the College and gave talks to students as well as hosting visits to their premises so that students had better insight of the working environment as they prepared to graduate from the College and embark on their professional careers.

New staff appointments included a new Business Manager, Mr Steve Wyatt, and a new Head of Bench Joinery, Mr Anthony Lainson.

Financial review

A summary of the results of the charity for the year can be found on page 12. Total income of the charity for the year amounted to £3,312,273 (2023 – £2,993,922) of which £1,530,049 (2023 – £1,343,314) comprised a grant from Carpenters' Company Charitable Trust. Total expenditure of the charity during the year increased from £2,995,441 to £3,287,284. This includes rental costs for the College of £526,000 (2023 – £515,750).

Reserves policy

The balance sheet shows total funds of £171,505 (2023 – £141,052) which comprise permanent endowment funds of £72,435 (2023 – £66,971) and restricted funds of £99,070 (2023 – £74,081). As explained above, the charity is dependent on the financial support of The Worshipful Company of Carpenters and it has no 'free' reserves.

Investment policy

The charity has investments comprising COIF Charities Investment Fund units with a market value as at 30 June 2024 of £72,435 (2023 – £66,971).

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustee and takes into account income requirements, risk profile and its view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income. The Trustee is satisfied that its investment policy is being achieved.

Post balance sheet events and future plans

For the year ahead the College's Management Team and staff will focus on implementing the new College Strategy. The applications for admissions in September 2024 are up on the previous year and the College looks set to meet its increased recruitment targets. There will be a focus for the new Business Manager to improve the College's operational business systems and performance across HR, Facility Management and outsourced service contracts. Improvements that will impact the student experience include the resumption of a full canteen service, more external study trip opportunities and the production of new digital workbooks for some of the wood occupation areas.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing accounts giving a true and fair view, the Trustee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf by:



Dr L D G Grossman
Master
The Worshipful Company of Carpenters (Trustee)

Approved on: 6 November 2024

Independent auditor's report to the Trustee of The Building Crafts College

Opinion

We have audited the accounts of The Building Crafts College (the 'charity') for the year ended 30 June 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the accounts which include the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2024 and of 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

Our responsibilities and the responsibilities of the Trustee 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 and Accounts other than the accounts and our auditor's report thereon. The Trustee is responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

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

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

Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

Our objectives are to obtain reasonable assurance about whether the accounts 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.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with those charged with governance and management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011, the financial reporting framework referred to above and safeguarding regulations; and
- ◆ we understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management (and those responsible for legal and compliance procedures). We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to it 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 charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

11/11/24

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 30 June 2024

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2024 Total funds £	2023 Total funds £
Income from:						
Donations and legacies	1	1,539,212	72,775	—	1,611,987	1,418,148
Investment income		1,953	—	—	1,953	1,948
Charitable activities	2	1,692,184	6,149	—	1,698,333	1,573,826
Total income		3,233,349	78,924	—	3,312,273	2,993,922
Expenditure on:						
Charitable activities	3	3,262,584	24,700	—	3,287,284	2,995,441
Total expenditure		3,262,584	24,700	—	3,287,284	2,995,441
Net (expenditure) income before gains on investments	4	(29,235)	54,224	—	24,989	(1,519)
Net gains on investments		—	—	5,464	5,464	2,032
Net (expenditure) income for the year		(29,235)	54,224	5,464	30,453	513
Transfers between funds	13	29,235	(29,235)	—	—	—
Net movement in funds		—	24,989	5,464	30,453	513
Reconciliation of funds:						
Fund balances brought forward at 1 July 2023		—	74,081	66,971	141,052	140,539
Fund balances carried forward at 30 June 2024		—	99,070	72,435	171,505	141,052

All of the charity's activities derived from continuing operations during the above two financial periods.

Statement of financial activities Year to 30 June 2024

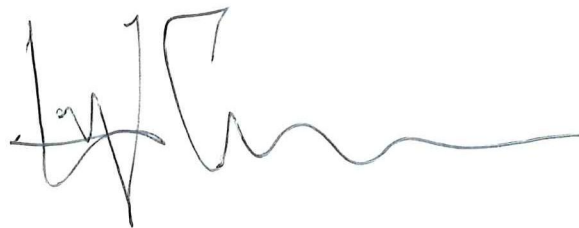
	Notes	Un- restricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £
<i>Income from:</i>					
<i>Donations and legacies</i>	1	1,352,562	65,586	—	1,418,148
<i>Investment income</i>		—	1,948	—	1,948
<i>Charitable activities</i>	2	1,580,345	19,691	—	1,600,036
<i>Total income</i>		<u>2,932,907</u>	<u>87,225</u>	<u>—</u>	<u>3,020,132</u>
<i>Expenditure on:</i>					
<i>Charitable activities</i>	3	<u>2,959,117</u>	<u>62,534</u>	<u>—</u>	<u>3,021,651</u>
<i>Total expenditure</i>		<u>2,959,117</u>	<u>62,534</u>	<u>—</u>	<u>3,021,651</u>
<i>Net (expenditure) income before gains on investments</i>	4	(26,210)	24,691	—	(1,519)
<i>Net gains on investments</i>		—	—	2,032	2,032
<i>Net (expenditure) income for the year</i>		(26,210)	24,691	2,032	513
<i>Transfers between funds</i>	13	<u>26,210</u>	<u>(26,210)</u>	<u>—</u>	<u>—</u>
<i>Net movement in funds</i>		—	(1,519)	2,032	513
<i>Reconciliation of funds:</i>					
<i>Fund balances brought forward at 1 July 2022</i>		—	75,600	64,939	140,539
<i>Fund balances carried forward at 30 June 2023</i>		—	<u>74,081</u>	<u>66,971</u>	<u>141,052</u>

All of the charity's activities derived from continuing operations during the above financial period.

Balance Sheet 30 June 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible fixed assets	8	396,510	338,740
Investments	9	72,435	66,971
		<u>468,945</u>	<u>405,711</u>
Current assets			
Stock		56,594	38,260
Debtors	10	303,498	241,359
Cash at bank and in hand		63,139	83,418
		<u>423,231</u>	<u>363,037</u>
Creditors: amounts falling due within one year	11	<u>(720,671)</u>	<u>(627,696)</u>
Net current liabilities		(297,440)	(264,659)
Total net assets		<u>171,505</u>	<u>141,052</u>
The funds of the charity:			
Funds and reserves			
Capital funds:			
Endowment funds	12	72,435	66,971
Income funds:			
Restricted funds	13	99,070	74,081
		<u>171,505</u>	<u>141,052</u>

Approved by the Trustee
and signed on its behalf by:



Dr L D G Grossman
Master
The Worshipful Company of Carpenters (Trustee)

Approved on: 6 November 2024

Statement of cash flows 30 June 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	85,091	96,587
Cash flows from investing activities:			
Investment income		1,953	1,948
Purchase of tangible fixed assets		(108,823)	(130,379)
Proceeds on disposal of tangible fixed assets		1,500	—
Net cash used in investing activities		(105,370)	(128,431)
Change in cash and cash equivalents in the year		(20,279)	(31,844)
Cash and cash equivalents at 1 July 2023	B	83,418	115,262
Cash and cash equivalents at 30 June 2024	B	63,139	83,418

Notes to the statement of cash flows for the year to 30 June 2024.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	30,453	513
Adjustments for:		
Depreciation charge	81,053	76,208
Gains on investments	(5,464)	(2,032)
Investment income	(1,953)	(1,948)
(Increase) decrease in stocks	(18,334)	15,504
Increase in debtors	(62,139)	(97,422)
Increase in creditors	61,475	105,764
Net cash provided by operating activities	85,091	96,587

B Analysis of cash and cash equivalents

	2024 £	2023 £
Total cash and cash equivalents: cash at bank and in hand	63,139	83,418

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 June 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 June 2024 with comparative information presented for the year to 30 June 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the level of income to be recognised from government agencies; and
- ◆ the useful economic life of tangible fixed assets.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure. Therefore, the Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and income from course fees and government agencies.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given with greater freedom of use, for example monies for core funding.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

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

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

Expenditure on charitable activities comprises the costs of operating a college including support costs and governance costs.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|----------------------------------|
| ◆ Leasehold improvements | 10% per annum based on cost |
| ◆ Furniture and general office equipment | 10 - 50% per annum based on cost |
| ◆ Plant and machinery | 10 - 25% per annum based on cost |

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Under the definitions set out in FRS 102, the Carpenters' Company Pension and Assurance Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Contributions to defined contribution schemes, including under auto-enrolment, have been charged in the statement of financial activities when payable.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Apart from fixed asset investments held at fair value (see above), basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand and debtors. Financial liabilities held at amortised cost comprise creditors.

1 Donations and legacies

	Un-restricted funds £	Restricted funds £	Total 2024 £	Un-restricted funds £	Restricted funds £	Total 2023 £
Grant from Carpenters' Company Charitable Trust	1,530,049	—	1,530,049	1,343,314	—	1,343,314
Donation from The Worshipful Company of Carpenters	—	22,700	22,700	—	41,586	41,586
Other donations	9,163	50,075	59,238	9,248	24,000	33,248
2024 Total funds	1,539,212	72,775	1,611,987	1,352,562	65,586	1,418,148

2 Income from charitable activities

	Un-restricted funds £	Restricted funds £	Total 2024 £	Un-restricted funds £	Restricted funds £	Total 2023 £
Course fees	524,195	—	524,195	578,306	—	578,306
Government agencies	1,157,696	6,149	1,163,845	965,015	19,691	984,706
Other income	10,293	—	10,293	10,814	—	10,814
2024 Total funds	1,692,184	6,149	1,698,333	1,554,135	19,691	1,573,826

3 Expenditure on charitable activities

	Un-restricted funds £	Restricted funds £	Total 2024 £	Un-restricted funds £	Restricted funds £	Total 2023 £
College operating costs						
Staff costs (note 5)	1,872,078	13,682	1,885,760	1,597,623	4,410	1,602,033
Rent	526,000	—	526,000	515,750	—	515,750
Tools	33,403	—	33,403	31,875	—	31,875
Materials	63,553	—	63,553	53,581	—	53,581
Light and power	143,953	—	143,953	154,928	—	154,928
Rates	18,649	—	18,649	13,922	—	13,922
Insurance	42,354	—	42,354	39,296	—	39,296
Equipment repairs and maintenance	60,098	7,260	67,358	54,808	22,176	76,984
Telephone and IT	80,262	—	80,262	84,415	—	84,415
Exhibitions and advertising	19,032	—	19,032	18,489	—	18,489
Cleaning	84,593	—	84,593	93,373	—	93,373
Books, printing and stationery	18,817	—	18,817	23,903	—	23,903
Depreciation	81,053	—	81,053	76,210	—	76,210
College prize giving	5,339	—	5,339	4,583	1,948	6,531
Exam fees	91,983	—	91,983	61,471	—	61,471
Student welfare	3,397	2,606	6,003	6,282	19,000	25,282
Management charge	30,000	—	30,000	30,000	—	30,000
Governance costs	24,980	—	24,980	22,100	—	22,100
Miscellaneous	63,040	1,152	64,192	50,298	15,000	65,298
2024 Total funds	3,262,584	24,700	3,287,284	2,932,907	62,534	2,995,441

4 Net (expenditure) income before gains on investments

This is stated after charging:

Charity	Un-restricted funds £	Restricted funds £	Total 2024 £	Un-restricted funds £	Restricted funds £	Total 2023 £
Staff costs (note 5)	1,872,078	13,682	1,885,760	1,597,623	4,410	1,602,033
Auditor's remuneration	24,980	—	24,980	22,100	—	22,100
Depreciation	81,053	—	81,053	76,208	—	76,208
Operating lease rentals	556,694	—	556,694	552,441	—	552,441

5 Employees and staff costs

	Un-restricted funds £	Restricted funds £	Total 2024 £	Un-restricted funds £	Restricted funds £	Total 2023 £
Wages and salaries	1,528,732	10,691	1,539,423	1,305,692	4,410	1,310,102
Social security costs	138,582	—	138,582	113,283	—	113,283
Other pension costs	110,725	—	110,725	93,466	—	93,466
Other staff costs	94,039	2,991	97,030	85,182	—	85,182
	1,872,078	13,682	1,885,760	1,597,623	4,410	1,602,033

Staff costs include redundancy costs of £nil (2023 – £4,410).

The average number of employees during the year was 39 (2023 – 38).

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions) during the year was as follows:

	2024 Number	2023 Number
£60,000 - £69,999	—	1
£100,000 - £109,999	1	—

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal, the Deputy Principal (from June 2024) and the Business Manager.

The total remuneration (including taxable benefits, employer's pension contributions and employer's national insurance contributions) of the key management personnel for the year was £209,832 (2023 – £94,271).

6 Trustee's remuneration

None of the members of the Court of Assistants or the Governors received any remuneration in respect of their services as trustees during the year nor any reimbursement of expenses from the charity (2023 – £nil).

7 Taxation

Building Crafts College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Leasehold improvements £	Furniture and office equipment £	Plant and machinery £	Total £
Cost				
At 1 July 2023	234,874	383,869	282,220	900,963
Additions	31,500	8,401	100,422	140,323
Disposals	—	(1,500)	—	(1,500)
At 30 June 2024	<u>266,374</u>	<u>390,770</u>	<u>382,642</u>	1,039,786
Depreciation				
At 1 July 2023	23,488	289,680	249,055	562,223
Charge in year	23,488	19,392	38,173	81,053
At 30 June 2024	<u>46,976</u>	<u>309,072</u>	<u>287,228</u>	643,276
Net book values				
At 30 June 2024	<u>219,398</u>	<u>81,698</u>	<u>95,414</u>	396,510
At 30 June 2023	<u>211,386</u>	<u>94,189</u>	<u>33,165</u>	338,740

9 Fixed asset investments

	2024 £	2023 £
Listed investments		
Market value at 1 July 2023	66,971	64,939
Unrealised gains on investments	5,464	2,032
Market value at 30 June 2024	<u>72,435</u>	<u>66,971</u>
Cost of listed investments at 30 June 2024	<u>6,558</u>	<u>6,558</u>

Listed investments comprise COIF Charities Investment Fund Income units.

10 Debtors

	2024 £	2023 £
Course fees and support including accrued income	1,857	12,510
Government agencies	105,770	44,761
Other debtors	21,637	15,047
Prepayments	174,234	169,041
	<u>303,498</u>	<u>241,359</u>

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Due to Carpenters' Company Charitable Trust	457,751	452,801
Due to The Worshipful Company of Carpenters	54,707	30,000
Other creditors and accruals	208,213	144,895
	720,671	627,696

12 Endowment funds

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 July 2022 £	Investment gains £	At 30 June 2023 £	Investment gains £	At 30 June 2024 £
John Willson Trust	8,462	265	8,727	712	9,439
Technical Education (general)	1,422	45	1,467	120	1,587
Sir Henry Harben's Gift	17,070	533	17,603	1,436	19,039
Alfred Preston's Prize Fund	7,860	246	8,106	661	8,767
Barnes' Gift	1,860	58	1,918	157	2,075
Sir Banister Fletcher Trust	11,471	359	11,830	965	12,795
Major C A A Robertson's Prize Fund 1996	12,587	394	12,981	1,059	14,040
C K Austin Fund	4,207	132	4,339	354	4,693
	64,939	2,032	66,971	5,464	72,435

The funds were established to provide income for prizes.

13 Restricted funds

The income funds of the charity include the following restricted funds.

	At 1 July 2023 £	Income £	Expenditure £	Transfers £	At 30 June 2024 £
Carpenters' Company funds	—	22,700	(22,700)	—	—
City & Guilds funds	46,486	24,000	—	(21,792)	48,694
16-18 Bursary funds	13,735	6,149	—	(7,443)	12,441
Adult Bursary funds	11,860	—	—	—	11,860
ESFA Employer Incentives	2,000	—	(2,000)	—	—
Portal Trust	—	26,075	—	—	26,075
	74,081	78,924	(24,700)	(29,235)	99,070

	At 1 July 2022 £	Income £	Expenditure £	Transfers £	At 30 June 2023 £
Carpenters' Company funds	—	41,586	(41,586)	—	—
City & Guilds funds	45,350	24,000	—	(22,864)	46,486
16-18 Bursary funds	14,754	1,191	—	(2,210)	13,735
Adult Bursary funds	12,996	—	—	(1,136)	11,860
ESFA Employer Incentives	2,500	18,500	(19,000)	—	2,000
Prize Fund	—	1,948	(1,948)	—	—
	75,600	87,225	(62,534)	(26,210)	74,081

13 Restricted funds (continued)

The transfers to unrestricted funds represents the utilisation of the funds to meet College fees in line with the terms of the funds.

The specific purposes for which the funds are to be applied are as follows:

- ◆ The Carpenters' Company funds were donations for specific purposes including repairs, capital expenditure and redundancy costs.
- ◆ The City & Guilds funds are to be used for students on specific courses.
- ◆ The 16-18 and Adult Bursary funds and ESFA Employer Incentives fund are for students on ESFA funded courses.
- ◆ The Portal Trust fund was provided for a marketing and engagement project called Aspiring Construction Crafts.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £
Fund balances at 30 June 2024				
are represented by:				
Fixed assets	396,510	—	72,435	468,945
Current assets	324,161	99,070	—	423,231
Creditors: amounts falling due within one year	(720,671)	—	—	(720,671)
Total net assets	—	99,070	72,435	171,505
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £
Fund balances at 30 June 2023				
are represented by:				
Fixed assets	338,740	—	66,971	405,711
Current assets	288,956	74,081	—	363,037
Creditors: amounts falling due within one year	(627,696)	—	—	(627,696)
Total net assets	—	74,081	66,971	141,052

15 Commitments

Operating leases

At 30 June 2024 the total future lease payments under non-cancellable operating leases were as follows:

Payable within	2024 £	2023 £
One year	559,412	552,441
Two to five years	1,651,152	2,155,495
	2,210,564	2,707,936

16 Pension commitments

Certain former employees of the charity are members of the “Carpenters’ Company Pension and Assurance Scheme” which provides benefits based on final pensionable salary. The assets of the scheme are held separately from those of the sponsoring employer, The Worshipful Company of Carpenters, being invested with Legal and General Assurance in an Insurance Contract.

The contributions are determined on the basis of triennial valuations by a qualified actuary using the attained age method. The employers’ contribution rate is 28.3% of pensionable pay and the employees’ contribution rate is 6% of pensionable pay. The total charge for the year in these accounts is £nil (2023 – £ nil). The last active employee in the pension scheme took his pension from 5 October 2019.

A triennial valuation was carried out as at 1 July 2021 and showed that the market value of the scheme’s assets was £4,707,000 and that the ongoing funding level was 114%.

The assumptions which have the most significant effect on the results of the valuation are as follows:

- ◆ RPI 3.3% p.a.
- ◆ Earnings increases 5.0% p.a.
- ◆ Discount rate 5.5% p.a.

The investment return on new contributions and existing assets will equal the funding discount rate used to calculate the liabilities.

The scheme has been closed to new members. New employees are able to join a group personal pension scheme administered by Aegon.

This scheme is a multi-employer scheme and it is not possible to identify the charity’s share of the scheme assets and liabilities on a reasonable and consistent basis. Therefore, the pension costs have been accounted for as if it was a defined contribution scheme. As at 30 June 2024 there were no active members in the scheme.

16 Pension commitments (continued)

Some details concerning the scheme as a whole are set out below. The following information is based upon a full actuarial valuation of the scheme as at 1 July 2021 updated to 30 June 2024 by a qualified independent actuary using FRS 102 guidelines.

	2024 £	2023 £
Market value of assets	2,191,000	2,345,000
Present value of scheme liabilities	(2,747,000)	(2,904,000)
Deficit in the scheme – net pension liability	(556,000)	(559,000)

The assets in the scheme were:

	2024 £	2023 £
Deposit administration contract (insurance policy)	2,191,000	2,345,000

The major assumptions used by the actuary were:

	2024	2023
Inflation	3.2%	3.3%
Rate of increase for pensions		
earned before 1 August 1998	5.0%	5.0%
earned after 31 July 1998	3.2%	3.3%
Discount rate for liabilities	5.2%	5.5%

17 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as Trustee of, the following charities which are registered with the Charity Commission:

- ◆ Carpenters' Company Charitable Trust: No 276996
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

During the year the charity received grants from Carpenters' Company Charitable Trust of £1,530,049 (2023 – £1,343,314), paid rent to Carpenters' Company Charitable Trust of £485,000 (2023 – £474,750) and paid rent to The Worshipful Company of Carpenters of £41,000 (2023 – £41,000). The charity incurred a management charge from The Worshipful Company of Carpenters for the year of £30,000 (2023 – £30,000) and received donations from The Worshipful Company of Carpenters of £22,700 (2023 – £41,586).

There were no other related party transactions requiring disclosure.

Amounts due to related parties are disclosed in note 11 to the accounts.

BUILDING CRAFTS COLLEGE

England & Wales - Charity number 312856

Accounts

**Building Crafts
College**

**Annual Report and
Accounts**

30 June 2023

Charity Registration Number
312856

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Legal and administrative information

Trustee	The Worshipful Company of Carpenters
Members of the Court	
The Master	Dr A Zimbler
Senior Warden	Dr L D G Grossman
Middle Warden	Mr S G Corbett (resigned 22 October 2023)
Junior Warden	Mr L Mallinson
	Mr V G Morton-Smith
	Mr W S Haynes
	Mr J A C Wheeler
	Mr M O P May
	Mr M R Mathews
	Revd Dr W P Povey (emeritus from 3 August 2023)
	Mr H M Lancaster
	Mr M J Samuel
	Mr M R Mosley
	Mr M W F Felton
	Mr M H W Neal
	Mr A M Gregory-Smith
	Mrs R F Bower
	His Honour P W Birts KC
	The Lord Flight, of Worcester
	Mr M Morrison
Deputy Master	Brigadier M J Meardon
The Clerk	Brigadier T J Gregson
Financial Controller	Ms J L Brundell
The College Principal	Ms Selena Bolingbroke
College address	Kennard Road Stratford London E15 1AH
Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ
Charity registration number	312856

Legal and administrative information

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Investment advisors	The Investments Committee of The Worshipful Company of Carpenters
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY
Surveyors	Daniel Watney LLP 165 Fleet Street London EC4A 2DW

The Trustee presents its statutory report together with the accounts of the Building Crafts College (the "charity") for the year ended 30 June 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 16 to 19 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The charity is governed by a constitution last revised on 7 March 2006.

The overall responsibility for the charity lies with the Trustee, The Worshipful Company of Carpenters as represented by the Master, Wardens and Court of Assistants, the members of which are listed on page 1. Under the charity's constitution certain responsibilities are delegated to the Governors who are appointed by The Worshipful Company of Carpenters. Responsibility for the day to day management of the College is delegated to the College Principal who reports to the Court of The Worshipful Company of Carpenters on a monthly basis.

The Trustee, The Worshipful Company of Carpenters, which performs its function as Trustee through its Court of Assistants, appoints its Assistants from within its members, of which normally one is inducted each year.

The Trustee has considerable experience of the charity through the Court of Assistants. This experience has been gathered over many years and the Court's knowledge of the workings of the charity is extensive. Further training has been given to members of the Court during the year and is made available where appropriate. Professional advice is always sought where required.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal and the Business Manager.

The remuneration of all staff, including the key management personnel, is reviewed each November, with changes implemented with effect from the following 1 January.

Risk management

The Trustee has assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and has reviewed them on an annual basis. The Trustee believes that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, it has established effective systems to mitigate those risks.

Structure, governance and management (continued)

Risk management (continued)

The key risks facing the College are as follows:

- ◆ Significant reputational damage, such as a poor Ofsted grading or safeguarding failure, might lead to the withdrawal of contracts and poor recruiting and retention. A failure to recruit to course targets at the start of the year is the greatest risk faced by the College. The only realistic remedial action is to launch fresh courses in January each year.
- ◆ Withdrawal of funding, either from the Worshipful Company of Carpenters or from government and other sources. The College guards against long term trends, such as the reduction in government funding for adults, by re-focussing course provision to match potential government income streams (hence the current emphasis on 16-18 year old learners and apprenticeships).
- ◆ Physical risk, such as fire or mechanical injury (Health & Safety). The Company has an insurance policy with the Livery Companies Mutual to protect the College against this risk.

These risks are reviewed constantly by the Governors and the Senior Management Team at the College.

Connected charities and related parties

The Worshipful Company of Carpenters is responsible for the management and administration of three other registered charities, details of which are given in note 17 to the accounts.

The College operates from premises leased from the Worshipful Company of Carpenters and from a connected charity, Carpenters' Company Charitable Trust. The College is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure.

Objectives and activities

The aims of the charity are the promotion of education and training in the building and allied crafts and trades.

The charity fulfils its principal aims through the operation of a college known as the Building Crafts College (the 'College') which is based in Stratford, London E15.

In addition, grants, scholarships and awards are made annually.

The main objectives for the year were to develop and expand construction based training courses.

Public benefit statement

The Trustee confirms that it has complied with its duty under section 4 of the Charities Act 2011. It has considered the public benefit guidance published by the Charity Commission and believes that it has followed its guidance in this area. The Trustee's report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes and the Trustee is satisfied that all such activities provide a public benefit.

Fundraising statement

The charity does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. During the current and prior year, the charity received no complaints about fundraising activities.

Achievements and activities

The College was awarded Ofsted 'good provider' status following an inspection from the educational regulator.

Following the departure of the then Principal, Mr Dowdles, the Business Manager assumed control of the College as Acting Principal. This coincided with completion of the re-configuration of the workshop area to create additional teaching space. Significant improvements have been made in the equipment, tools and environmental controls at the College – including ventilation and lighting. The appointment of a new workshop manager has improved maintenance. A new standard of tidiness has been reached in the workshops and along with a renewed emphasis on safety the working environment is considerably improved. This was evident at the very successful end of year show, held in June for the first time at the College.

Some changes have been made to the governance of the College such as the development of more frequent governor meetings incorporating the former finance and general purpose and curriculum quality and performance committees. A finance working party group has been formed which has regular meetings and oversees financial controls and procedures.

July 2023 saw the arrival of Ms Selena Bolingbroke who has been appointed as the new Principal.

Financial review

A summary of the results of the charity for the year can be found on page 12. Total income of the charity for the year amounted to £3,020,132 (2022 – £2,850,593) of which £1,343,314 (2022 - £1,265,213) comprised a grant from Carpenters' Company Charitable Trust. Total expenditure of the charity during the year increased from £2,841,701 to £3,021,651. This includes rental costs for the College of £515,750 (2022 – £490,000).

Reserves policy

The balance sheet shows total funds of £141,052 (2022 - £140,539) which comprise permanent endowment funds of £66,971 (2022 - £64,939) and restricted funds of £74,081 (2022 - £75,600). As explained above, the charity is dependent on the financial support of The Worshipful Company of Carpenters and it has no 'free' reserves.

Financial review (continued)

Investment policy

The charity has investments comprising COIF Charities Investment Fund units with a market value as at 30 June 2022 of £66,971 (2022 - £64,939).

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustee and takes into account income requirements, risk profile and its view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income. The Trustee is satisfied that its investment policy is being achieved.

Post balance sheet events and future plans

There has been a requirement to replace some capital equipment and a modest investment in IT equipment is required going forward. The financial gap created by a downturn in student numbers in the previous academic year has had an obvious effect on spending. Prospective student numbers, including apprentices, look promising for the next academic year. This is in part to a renewed marketing campaign launched via social media. There are new courses in development including a new apprenticeship offering for Museum and Galleries technicians as well as new diplomas in bench joinery and bricklaying alongside the traditional apprentice courses. There is strong interest in a number of short courses offered by the College and staff are optimistic about uptake across all the course offerings which will go some way to improve the financial prospects of the College.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing accounts giving a true and fair view, the Trustee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Statement of Trustee's responsibilities (continued)

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Dr A Zimble', written in a cursive style.

Dr A Zimble

Master

The Worshipful Company of Carpenters (Trustee)

Approved on: 1 November 2023

Independent auditor's report to the Trustee of The Building Crafts College

Opinion

We have audited the accounts of The Building Crafts College (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the accounts which include the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report and Accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Auditor's responsibilities for the audit of the accounts (continued)

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with those charged with governance and management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011, the financial reporting framework referred to above and safeguarding regulations; and
- ◆ we understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management (and those responsible for legal and compliance procedures). We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to it 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 charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

20 November 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 30 June 2023

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
Income from:						
Donations and legacies	1	1,352,562	65,586	—	1,418,148	1,362,095
Investment income		—	1,948	—	1,948	1,939
Charitable activities	2	1,580,345	19,691	—	1,600,036	1,486,559
Total income		2,932,907	87,225	—	3,020,132	2,850,593
Expenditure on:						
Charitable activities	3	2,959,117	62,534	—	3,021,651	2,841,701
Total expenditure		2,959,117	62,534	—	3,021,651	2,841,701
Net (expenditure) income before gains on investments	4	(26,210)	24,691	—	(1,519)	8,892
Net gains (losses) on investments		—	—	2,032	2,032	(3,586)
Net (expenditure) income for the year		(26,210)	24,691	2,032	513	5,306
Transfers between funds	13	26,210	(26,210)	—	—	—
Net movement in funds		—	(1,519)	2,032	513	5,306
Reconciliation of funds:						
Fund balances brought forward at 1 July 2022		—	75,600	64,939	140,539	135,233
Fund balances carried forward at 30 June 2023		—	74,081	66,971	141,052	140,539

All of the charity's activities derived from continuing operations during the above two financial periods.

Statement of financial activities Year to 30 June 2022

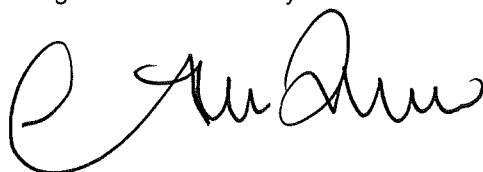
	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £
<i>Income from:</i>					
<i>Donations and legacies</i>	1	1,282,611	79,484	—	1,362,095
<i>Investment income</i>		—	1,939	—	1,939
<i>Charitable activities</i>	2	1,470,018	16,541	—	1,486,559
<i>Total income</i>		<u>2,752,629</u>	<u>97,964</u>	<u>—</u>	<u>2,850,593</u>
<i>Expenditure on:</i>					
<i>Charitable activities</i>	3	<u>2,777,778</u>	<u>63,923</u>	<u>—</u>	<u>2,841,701</u>
<i>Total expenditure</i>		<u>2,777,778</u>	<u>63,923</u>	<u>—</u>	<u>2,841,701</u>
<i>Net (expenditure) income before gains on investments</i>	4	(25,149)	34,041	—	8,892
<i>Net losses on investments</i>		—	—	(3,586)	(3,586)
<i>Net (expenditure) income for the year</i>		(25,149)	34,041	(3,586)	5,306
<i>Transfers between funds</i>	13	25,149	(25,149)	—	—
<i>Net movement in funds</i>		—	8,892	(3,586)	5,306
<i>Reconciliation of funds:</i>					
<i>Fund balances brought forward at 1 July 2021</i>		—	66,708	68,525	135,233
<i>Fund balances carried forward at 30 June 2022</i>		—	75,600	64,939	140,539

All of the charity's activities derived from continuing operations during the above financial period.

Balance Sheet 30 June 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	8	338,740	284,569
Investments	9	66,971	64,939
		<u>405,711</u>	<u>349,508</u>
Current assets			
Stock		38,260	53,764
Debtors	10	241,359	143,937
Cash at bank and in hand		83,418	115,262
		<u>363,037</u>	<u>312,963</u>
Creditors: amounts falling due within one year	11	<u>(627,696)</u>	<u>(521,932)</u>
Net current liabilities		(264,659)	(208,969)
Total net assets		<u>141,052</u>	<u>140,539</u>
The funds of the charity:			
Funds and reserves			
Capital funds:			
Endowment funds	12	66,971	64,939
Income funds:			
Restricted funds	13	74,081	75,600
		<u>141,052</u>	<u>140,539</u>

Approved by the Trustee
and signed on its behalf by:



Dr A Zimble
Master
The Worshipful Company of Carpenters (Trustee)

Approved on: 1 November 2023

Statement of cash flows 30 June 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	<u>96,587</u>	<u>157,312</u>
Cash flows from investing activities:			
Investment income		1,948	1,939
Purchase of tangible fixed assets		<u>(130,379)</u>	<u>(226,886)</u>
Net cash used in investing activities		<u>(128,431)</u>	<u>(224,947)</u>
Change in cash and cash equivalents in the year		(31,844)	(67,635)
Cash and cash equivalents at 1 July 2022	B	115,262	182,897
Cash and cash equivalents at 30 June 2023	B	<u>83,418</u>	<u>115,262</u>

Notes to the statement of cash flows for the year to 30 June 2023.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	513	5,306
Adjustments for:		
Depreciation charge	76,208	56,802
(Gains) losses on investments	(2,032)	3,586
Investment income	(1,948)	(1,939)
Decrease/(increase) in stocks	15,504	(11,102)
(Increase)/decrease in debtors	(97,422)	90,601
Increase in creditors	105,764	14,058
Net cash provided by operating activities	<u>96,587</u>	<u>157,312</u>

B Analysis of cash and cash equivalents

	2023 £	2022 £
Total cash and cash equivalents: cash at bank and in hand	<u>83,418</u>	<u>115,262</u>

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 June 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 June 2023 with comparative information presented for the year to 30 June 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the level of income to be recognised from government agencies;
- ◆ the book value of stock;
- ◆ the useful economic life of tangible fixed assets; and
- ◆ the appropriate level of bad debt provision.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure. Therefore, the Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and income from course fees and government agencies.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given with greater freedom of use, for example monies for core funding.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

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

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

Expenditure on charitable activities comprises the costs of operating a college including support costs and governance costs.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Furniture and general office equipment 10 - 50% per annum based on cost
- ◆ Plant and machinery 10 - 25% per annum based on cost

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Under the definitions set out in FRS 102, the Carpenters' Company Pension and Assurance Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Contributions to defined contribution schemes, including under auto-enrolment, have been charged in the statement of financial activities when payable.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Apart from fixed asset investments held at fair value (see above), basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand and debtors. Financial liabilities held at amortised cost comprise creditors.

1 Donations and legacies

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Grant from Carpenters' Company Charitable Trust	1,343,314	—	1,343,314	1,265,213	—	1,265,213
Donation from The Worshipful Company of Carpenters	—	41,586	41,586	—	55,484	55,484
Other donations	9,248	24,000	33,248	17,398	24,000	41,398
2023 Total funds	1,352,562	65,586	1,418,148	1,282,611	79,484	1,362,095

2 Income from charitable activities

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Course fees	604,516	—	604,516	603,133	—	603,133
Government agencies	965,015	19,691	984,706	857,883	16,541	874,424
Other income	10,814	—	10,814	9,002	—	9,002
2023 Total funds	1,580,345	19,691	1,600,036	1,470,018	16,541	1,486,559

3 Expenditure on charitable activities

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
College operating costs						
Staff costs (note 5)	1,597,623	4,410	1,602,033	1,630,784	55,484	1,686,268
Rent	515,750	—	515,750	490,000	—	490,000
Tools	31,875	—	31,875	64,253	—	64,253
Materials	53,581	—	53,581	52,540	—	52,540
Light and power	154,928	—	154,928	83,175	—	83,175
Rates	13,922	—	13,922	14,702	—	14,702
Insurance	39,296	—	39,296	34,115	—	34,115
Equipment repairs and maintenance	54,808	22,176	76,984	45,368	—	45,368
Telephone and IT	84,415	—	84,415	66,448	—	66,448
Exhibitions and advertising	18,489	—	18,489	2,087	—	2,087
Cleaning	93,373	—	93,373	31,849	—	31,849
Books, printing and stationery	23,903	—	23,903	34,712	—	34,712
Depreciation	76,210	—	76,210	56,802	—	56,802
College prize giving	4,583	1,948	6,531	3,678	1,939	5,617
Exam fees	61,471	—	61,471	58,649	—	58,649
Provision for doubtful debts	—	—	—	13,764	—	13,764
Student welfare	32,492	19,000	51,492	17,385	6,500	23,885
Management charge	30,000	—	30,000	5,098	—	5,098
Governance costs	22,100	—	22,100	18,780	—	18,780
Miscellaneous	50,298	15,000	65,298	53,589	—	53,589
2023 Total funds	2,959,117	62,534	3,021,651	2,777,778	63,923	2,841,701

4 Net (expenditure) income before gains on investments

This is stated after charging:

Charity	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Staff costs (note 5)	1,597,623	4,410	1,602,033	1,630,784	55,484	1,686,268
Auditor's remuneration	22,100	—	22,100	18,780	—	18,780
Depreciation	76,208	—	76,208	56,802	—	56,802
Operating lease rentals	552,441	—	552,441	490,000	—	490,000

5 Employees and staff costs

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Wages and salaries	1,305,692	4,410	1,310,102	1,336,290	55,484	1,391,774
Social security costs	113,283	—	113,283	126,149	—	126,149
Other pension costs	93,466	—	93,466	97,320	—	97,320
Other staff costs	85,182	—	85,182	71,025	—	71,025
	1,597,623	4,410	1,602,033	1,630,784	55,484	1,686,268

Staff costs include redundancy costs of £4,410 (2022 - £55,484).

The average number of employees during the year was 38 (2022 – 40).

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions) during the year was as follows:

	2023 Number	2022 Number
£60,000 - £69,999	1	1
£100,000 - £109,999	—	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal and the Business Manager.

The total remuneration (including taxable benefits, employer's pension contributions and employer's national insurance contributions) of the key management personnel for the year was £94,271 (2022 - £196,293).

6 Trustee's remuneration

None of the members of the Court of Assistants or the Governors received any remuneration in respect of their services as trustees during the year nor any reimbursement of expenses from the charity (2022 - nil).

7 Taxation

Building Crafts College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Leasehold improvements £	Furniture and office equipment £	Plant and machinery £	Total £
Cost				
At 1 July 2022	160,920	337,925	271,737	770,582
Additions	73,954	45,944	10,483	130,381
At 30 June 2023	<u>234,874</u>	<u>383,869</u>	<u>282,220</u>	900,963
Depreciation				
At 1 July 2022	—	265,953	220,060	486,013
Charge in year	23,488	23,727	28,995	76,210
At 30 June 2023	<u>23,488</u>	<u>289,680</u>	<u>249,055</u>	562,223
Net book values				
At 30 June 2023	<u>211,386</u>	<u>94,189</u>	<u>33,165</u>	338,740
At 30 June 2022	<u>160,920</u>	<u>71,972</u>	<u>51,677</u>	284,569

9 Fixed asset investments

	2023 £	2022 £
Listed investments		
Market value at 1 July 2022	64,939	68,525
Unrealised gains/(losses) on investments	2,032	(3,586)
Market value at 30 June 2023	<u>66,971</u>	<u>64,939</u>
Cost of listed investments at 30 June 2023	<u>6,558</u>	<u>6,558</u>

Listed investments comprise COIF Charities Investment Fund Income units.

10 Debtors

	2023 £	2022 £
Course fees and support including accrued income	12,510	51,299
Government agencies	44,761	51,604
Other debtors	15,047	6,081
Prepayments	169,041	34,953
	<u>241,359</u>	<u>143,937</u>

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Due to Carpenters' Company Charitable Trust	452,801	189,865
Due to The Worshipful Company of Carpenters	30,000	5,098
Other creditors and accruals	144,895	326,969
	627,696	521,932

12 Endowment funds

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 July 2021 £	Investment losses £	At 30 June 2022 £	Investment gains £	At 30 June 2023 £
John Willson Trust	8,929	(467)	8,462	265	8,727
Technical Education (general)	1,501	(79)	1,422	45	1,467
Sir Henry Harben's Gift	18,012	(942)	17,070	533	17,603
Alfred Preston's Prize Fund	8,294	(434)	7,860	246	8,106
Barnes' Gift	1,963	(103)	1,860	58	1,918
Sir Banister Fletcher Trust	12,105	(634)	11,471	359	11,830
Major C A A Robertson's Prize Fund 1996	13,282	(695)	12,587	394	12,981
C K Austin Fund	4,439	(232)	4,207	132	4,339
	68,525	(3,586)	64,939	2,032	66,971

The funds were established to provide income for prizes.

13 Restricted funds

The income funds of the charity include the following restricted funds.

	At 1 July 2022 £	Income £	Expenditure £	Transfers £	At 30 June 2023 £
Carpenters' Company funds	—	41,586	(41,586)	—	—
City & Guilds funds	45,350	24,000	—	(22,864)	46,486
16-18 Bursary funds	14,754	1,191	—	(2,210)	13,735
Adult Bursary funds	12,996	—	—	(1,136)	11,860
ESFA Employer Incentives	2,500	18,500	(19,000)	—	2,000
Prize Fund	—	1,948	(1,948)	—	—
	75,600	87,225	(62,534)	(26,210)	74,081

	At 1 July 2021 £	Income £	Expenditure £	Transfers £	At 30 June 2022 £
Carpenters' Company funds	—	55,484	(55,484)	—	—
City & Guilds funds	40,000	24,000	—	(18,650)	45,350
16-18 Bursary funds	13,712	7,541	—	(6,499)	14,754
Adult Bursary funds	12,996	—	—	—	12,996
ESFA Employer Incentives	—	9,000	(6,500)	—	2,500
	66,708	96,025	(61,984)	(25,149)	75,600

13 Restricted funds (continued)

The transfers to unrestricted funds represents the utilisation of the funds to meet College fees in line with the terms of the funds.

The specific purposes for which the funds are to be applied are as follows:

- ◆ The Carpenters' Company funds were donations for specific purposes including repairs, capital expenditure and redundancy costs.
- ◆ The City & Guilds funds are to be used for students on specific courses.
- ◆ The 16-18 and Adult Bursary funds and ESFA Employer Incentives fund are for students on ESFA funded courses.
- ◆ The Prize Fund represents income from the endowment funds to be used for prizes.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £
Fund balances at 30 June 2023				
are represented by:				
Fixed assets	338,740	—	66,971	405,711
Current assets	288,956	74,081	—	363,037
Creditors: amounts falling due within one year	(627,696)	—	—	(627,696)
Total net assets	—	74,081	66,971	141,052
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Endowment funds £</i>	<i>Total 2022 £</i>
<i>Fund balances at 30 June 2022</i>				
<i>are represented by:</i>				
<i>Fixed assets</i>	<i>284,569</i>	<i>—</i>	<i>64,939</i>	<i>349,508</i>
<i>Current assets</i>	<i>237,363</i>	<i>75,600</i>	<i>—</i>	<i>312,963</i>
<i>Creditors: amounts falling due within one year</i>	<i>(521,932)</i>	<i>—</i>	<i>—</i>	<i>(521,932)</i>
<i>Total net assets</i>	<i>—</i>	<i>75,600</i>	<i>64,939</i>	<i>140,539</i>

15 Commitments

Operating leases

At 30 June 2023 the total future lease payments under non-cancellable operating leases were as follows:

Payable within	2023 £	2022 £
One year	552,441	535,566
Two to five years	2,155,495	2,108,099
After five years	—	606,250
	2,707,936	3,249,915

16 Pension commitments

Certain former employees of the charity are members of the “Carpenters’ Company Pension and Assurance Scheme” which provides benefits based on final pensionable salary. The assets of the scheme are held separately from those of the sponsoring employer, The Worshipful Company of Carpenters, being invested with Legal and General Assurance in an Insurance Contract.

The contributions are determined on the basis of triennial valuations by a qualified actuary using the attained age method. The employers’ contribution rate is 28.3% of pensionable pay and the employees’ contribution rate is 6% of pensionable pay. The total charge for the year in these accounts is £nil (2022 - £ nil). The last active employee in the pension scheme took his pension from 5 October 2019.

A triennial valuation was carried out as at 1 July 2021 and showed that the market value of the scheme’s assets was £4,707,000 and that the ongoing funding level was 114%.

The assumptions which have the most significant effect on the results of the valuation are as follows:

◆ RPI	3.3% p.a.
◆ Earnings increases	5.0% p.a.
◆ Discount rate	5.5% p.a.

The investment return on new contributions and existing assets will equal the funding discount rate used to calculate the liabilities.

The scheme has been closed to new members. New employees are able to join a group personal pension scheme administered by Aegon.

This scheme is a multi-employer scheme and it is not possible to identify the charity’s share of the scheme assets and liabilities on a reasonable and consistent basis. Therefore, the pension costs have been accounted for as if it was a defined contribution scheme. As at 30 June 2023 there were no active members in the scheme.

16 Pension commitments (continued)

Some details concerning the scheme as a whole are set out below. The following information is based upon a full actuarial valuation of the scheme as at 1 July 2021 updated to 30 June 2023 by a qualified independent actuary using FRS 102 guidelines.

	2023 £	2022 £
Market value of assets	2,345,000	3,350,000
Present value of scheme liabilities	(2,904,000)	(3,473,000)
Deficit in the scheme – net pension liability	(559,000)	(123,000)

The assets in the scheme were:

	2023 £	2022 £
Deposit administration contract (insurance policy)	2,345,000	3,350,000

The major assumptions used by the actuary were:

	2023	2022
Inflation	3.3%	3.3%
Rate of increase for pensions		
. earned before 1 August 1998	5.0%	5.0%
. earned after 31 July 1998	3.3%	3.3%
Discount rate for liabilities	3.9%	3.9%

17 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as Trustee of, the following charities which are registered with the Charity Commission:

- ◆ Carpenters' Company Charitable Trust: No 276996
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

During the year the charity received grants from Carpenters' Company Charitable Trust of £1,343,314 (2022 - £1,265,213), paid rent to Carpenters' Company Charitable Trust of £474,750 (2022 - £449,000) and paid rent to The Worshipful Company of Carpenters of £41,000 (2022 - £41,000). The charity incurred a management charge from The Worshipful Company of Carpenters for the year of £30,000 (2022 - £5,098) and received donations from The Worshipful Company of Carpenters of £41,586 (2022 - £55,484).

There were no other related party transactions requiring disclosure.

Amounts due to related parties are disclosed in note 11 to the accounts.

BUILDING CRAFTS COLLEGE

England & Wales - Charity number 312856

Accounts

**Building Crafts
College**

**Annual Report and
Accounts**

30 June 2022

Charity Registration Number
312856

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Legal and administrative Information

Trustee	The Worshipful Company of Carpenters
Members of the Court	
The Master	Brigadier M J Meardon
Senior Warden	Dr A Zimbler
Middle Warden	Dr L D G Grossman
Junior Warden	Mr S G Corbett
	Mr V G Morton-Smith
	Mr W S Haynes
	Mr P A Luton (emeritus 4 August 2021)
	Mr J A C Wheeler
	Mr M O P May
	Mr M R Mathews
	Revd Dr W P Povey
	Mr H M Lancaster
	Mr M J Samuel
	Mr M R Mosley
	Mr M W F Felton
	Mr M H W Neal
	Mr A M Gregory-Smith
	Mrs R F Bower
	His Honour P W Birts KC
	The Lord Flight, of Worcester
Deputy Master	Mr M Morrison
The Clerk	Brigadier T J Gregson
Financial Controller	Ms J L Brundell
The College Principal (Acting)	Mr J Mercer
College address	Kennard Road Stratford London E15 1AH
Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ
Charity registration number	312856

Legal and administrative Information

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Investment advisors	The Investments Committee of The Worshipful Company of Carpenters
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY
Surveyors	Daniel Watney LLP 165 Fleet Street London EC4A 2DW

Trustee's report Year to 30 June 2022

The Trustee presents its statutory report together with the accounts of the Building Crafts College (the "charity") for the year ended 30 June 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 17 to 20 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The charity is governed by a constitution last revised on 7 March 2006.

The overall responsibility for the charity lies with the Trustee, The Worshipful Company of Carpenters as represented by the Master, Wardens and Court of Assistants, the members of which are listed on page 1. Under the charity's constitution certain responsibilities are delegated to the Governors who are appointed by The Worshipful Company of Carpenters. Responsibility for the day to day management of the College is delegated to the College Principal who reports to the Court of The Worshipful Company of Carpenters on a monthly basis.

The Trustee, The Worshipful Company of Carpenters, which performs its function as Trustee through its Court of Assistants, appoints its Assistants from within its members, of which normally one is inducted each year.

The Trustee has considerable experience of the charity through the Court of Assistants. This experience has been gathered over many years and the Court's knowledge of the workings of the charity is extensive. Further training has been given to members of the Court during the year and is made available where appropriate. Professional advice is always sought where required.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal and the Business Manager (and in the prior year the Bursar).

The remuneration of all staff, including the key management personnel, is reviewed each November, with changes implemented with effect from the following 1 January.

Risk management

The Trustee has assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and has reviewed them on an annual basis. The Trustee believes that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, it has established effective systems to mitigate those risks.

Structure, governance and management (continued)

Risk management (continued)

The key risks facing the College, in addition to the impact of Covid-19 referred to later in this report, are as follows:

- ◆ Significant reputational damage, such as a poor Ofsted grading or safeguarding failure, might lead to the withdrawal of contracts and poor recruiting and retention. A failure to recruit to course targets at the start of the year is the greatest risk faced by the College. The only realistic remedial action is to launch fresh courses in January each year.
- ◆ Withdrawal of funding, either from the Worshipful Company of Carpenters or from government and other sources. The College guards against long term trends, such as the reduction in government funding for adults, by re-focussing course provision to match potential government income streams (hence the current emphasis on 16-18 year old learners and apprenticeships).
- ◆ Physical risk, such as fire or mechanical injury (Health & Safety). The Company has an insurance policy with the Livery Companies Mutual to protect the College against this risk.

These risks are reviewed constantly by the Governors and the Senior Management Team at the College.

Connected charities and related parties

The Worshipful Company of Carpenters is responsible for the management and administration of three other registered charities, details of which are given in note 18 to the accounts.

The College operates from premises leased from the Worshipful Company of Carpenters and from a connected charity, Carpenters' Company Charitable Trust. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure.

Objectives and activities

The aims of the charity are the promotion of education and training in the building and allied crafts and trades.

The charity fulfils its principal aims through the operation of a college known as the Building Crafts College (the 'College') which is based in Stratford, London E15.

In addition, grants, scholarships and awards are made annually.

The main objectives for the year were to develop and expand construction based training courses.

Public benefit statement

The Trustee confirms that it has complied with its duty under section 4 of the Charities Act 2011. It has considered the public benefit guidance published by the Charity Commission and believes that it has followed its guidance in this area. The Trustee's report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes and the Trustee is satisfied that all such activities provide a public benefit.

Fundraising statement

The charity does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. During the current and prior year, the charity received no complaints about fundraising activities.

Achievements and activities during the year

Across a number of areas, results particularly in terms of apprenticeship End Point Assessments, have been higher than at many points in the history of the College. Indeed, apprentice achievement rates across the year are currently around 80% (no national comparative figures exist due to the pandemic) and apprentice retention rates sit at a very healthy 87%, significantly higher than the national average which, when last published, was approximately 65.7%.

These results reflect the recent introduction of a number of key initiatives including a comprehensive programme of strategic monitoring which allows the College to measure progress against agreed objectives; a system of staff peer-to-peer mentoring; a programme of student tracking across all disciplines; the extension of pastoral and counselling provision including the appointment of additional specialist staff and the introduction of student leadership and personal development programmes led by external providers.

In addition, much work has been undertaken to extend the current range of apprenticeship courses.

The appointment of a new Head of Admissions and Marketing, who is approaching the task of recruitment with considerable vigour, has contributed to an uplift in applications for certain courses, notably Fine Woodwork, Site Carpentry, Bench Joinery and Stonemasonry. The addition of an extensive programme of short courses over the year is commendable as is the renewed and highly successful emphasis on marketing via social media. To afford some resilience, the marketing team has been enhanced by the appointment on a fixed term basis of a digital resource specialist who started in September and has been tasked with creating a bank of digital teaching materials.

The renewed emphasis on Admissions and Marketing aims to reduce the historically high annual deficit and hence the subsidy from the Company. The deficit prompted an exercise earlier in the year around more stringent budgetary modelling whereby the College as a whole as well as the respective departmental areas must now, in terms of student numbers, resources and staffing, demonstrate accountability and viability.

Achievements and activities during the year (continued)

The work of the Business Manager has been invaluable in addressing the underinvestment over an extended period of time in capital resources and the College's premises. A significant programme of capital works has been started at the Kennard Road site with a view to providing essential additional, well-resourced teaching space for the new academic year. A significant quantity of new benches and tools has been purchased and the College's IT has been upgraded with the addition of new smartboards and laptops. New staffroom facilities and a new office suite have also been created. That said, the extent to which the poor physical state and location of our current premises will, despite our best efforts, increasingly work against us must not be underestimated.

At governance level the College continues to focus on the revision of Governor responsibilities and the new sub-Committee structure introduced last year has now bedded in relatively well.

Financial review

A summary of the results of the charity for the year can be found on page 13. Total income of the charity for the year amounted to £2,850,593 (2021 – £2,687,896) of which £1,265,213 (2021 - £1,139,381) comprised a grant from Carpenters' Company Charitable Trust. Total expenditure of the charity during the year increased from £2,683,287 to £2,841,701. This includes rental costs for the College of £490,000 (2021 – £413,960).

Reserves policy

The balance sheet shows total funds of £140,539 (2021 - £135,233) which comprise permanent endowment funds of £64,939 (2021 - £68,525) and restricted funds of £75,600 (2021 - £66,708).

As explained above, the charity is dependent on the financial support of The Worshipful Company of Carpenters and it has no 'free' reserves.

Investment policy

The charity has investments comprising COIF Charities Investment Fund units with a market value as at 30 June 2022 of £64,939 (2021 - £68,525).

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustee and takes into account income requirements, risk profile and its view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income. The Trustee is satisfied that its investment policy is being achieved.

Post balance sheet events and future plans

Against the backdrop of academic and financial reorganisation, greater employer and audience engagement and significant capital upgrade - as well as some outstanding results that sit comfortably against national averages - the College has now set itself firmly on a new course. As a consequence, the trend in terms of applications is generally positive.

One of the College's greatest challenges going forward is inevitably that of improving on its current capital resources and investing in major capital equipment, something which has not been done for many years. Neither the Gibbins Road nor the Kennard Road sites are ideal in the current competitive marketplace but are being made to work until longer term decisions about the future of the sites we currently occupy are taken. The reconfiguration of the Kennard Road premises will create necessary additional teaching space and has been completed in time for the start of the new academic year.

Naturally, all of the above must be read in the context of the war in Ukraine and its ramifications, and of the recent and severe economic global downturn. The potential impact of both in terms of the College's ability to manage its already very tight budget and on student recruitment must not be underestimated.

Since the year end, the Principal resigned and steps are being taken to make a permanent appointment.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing accounts giving a true and fair view, the Trustee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Statement of Trustee's responsibilities (continued)

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf by:

 02/11/2022

M Morrison
Master
The Worshipful Company of Carpenters (Trustee)

Approved on:

Independent auditor's report to the Trustee of The Building Crafts College

Opinion

We have audited the accounts of The Building Crafts College (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the accounts which include the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2022 and of 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report and Accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other Information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Auditor's responsibilities for the audit of the accounts (continued)

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with those charged with governance and management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011, the financial reporting framework referred to above and safeguarding regulations; and
- ◆ we understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management (and those responsible for legal and compliance procedures). We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to it 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 charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

3 November 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 30 June 2022

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Income from:						
Donations and legacies	1	1,282,611	79,484	—	1,362,095	1,202,973
Investment income	2	1,939	—	—	1,939	1,865
Charitable activities	3	1,470,018	16,541	—	1,486,559	1,483,058
Total income		<u>2,574,568</u>	<u>96,025</u>	<u>—</u>	<u>2,850,593</u>	<u>2,687,896</u>
Expenditure on:						
Charitable activities	4	2,779,717	61,984	—	2,841,701	2,683,287
Total expenditure		<u>2,779,717</u>	<u>61,984</u>	<u>—</u>	<u>2,841,701</u>	<u>2,683,287</u>
Net (expenditure) income before gains on investments						
	5	(25,149)	34,041	—	8,892	4,609
Net (loss) gains on investments						
		—	—	(3,586)	(3,586)	8,776
Net (expenditure) income for the year						
		(25,149)	34,041	(3,586)	5,306	13,385
Transfers between funds						
	14	25,149	(25,149)	—	—	—
Net movement in funds						
		—	8,892	(3,586)	5,306	13,385
Reconciliation of funds:						
Fund balances brought forward at 1 July 2021		—	66,708	68,525	135,233	121,848
Fund balances carried forward at 30 June 2022		—	75,600	64,939	140,539	135,233

All of the charity's activities derived from continuing operations during the above two financial periods.

Statement of financial activities Year to 30 June 2021

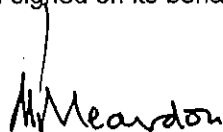
	Notes	Un- restricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £
<i>Income from:</i>					
Donations and legacies	1	1,142,162	60,811	—	1,202,973
Investment income	2	1,865	—	—	1,865
Charitable activities	3	1,469,622	13,436	—	1,483,058
Total income		2,613,649	74,247	—	2,687,896
<i>Expenditure on:</i>					
Charitable activities	4	2,646,476	36,811	—	2,683,287
Total expenditure		2,646,476	36,811	—	2,683,287
<i>Net (expenditure) income before gains on investments</i>	5	(32,827)	37,436	—	4,609
<i>Net gains on investments</i>		—	—	8,776	8,776
Net (expenditure) income for the year		(32,827)	37,436	8,776	13,385
<i>Transfers between funds</i>	14	32,827	(32,827)	—	—
Net movement in funds		—	4,609	8,776	13,385
<i>Reconciliation of funds:</i>					
<i>Fund balances brought forward at 1 July 2020</i>		—	62,099	59,749	121,848
Fund balances carried forward at 30 June 2021		—	66,708	68,525	135,233

All of the charity's activities derived from continuing operations during the above financial period.

Balance Sheet 30 June 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible fixed assets	9	284,569	114,485
Investments	10	64,939	68,525
		<u>349,508</u>	<u>183,010</u>
Current assets			
Stock		53,764	42,662
Debtors	11	143,937	234,538
Cash at bank and in hand		115,262	182,897
		<u>312,963</u>	<u>460,097</u>
Creditors: amounts falling due within one year	12	<u>(521,932)</u>	<u>(507,874)</u>
Net current liabilities		(208,969)	(47,777)
Total net assets		<u>140,539</u>	<u>135,233</u>
The funds of the charity:			
Funds and reserves			
Capital funds:			
Endowment funds	13	64,939	68,525
Income funds:			
Restricted funds	14	75,600	66,708
		<u>140,539</u>	<u>135,233</u>

Approved by the Trustee
and signed on its behalf by:



Brigadier M J Meardon
Master
The Worshipful Company of Carpenters (Trustee)

Approved on: 2 November 2022

Statement of cash flows 30 June 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	<u>157,312</u>	<u>(155,716)</u>
Cash flows from investing activities:			
Investment income		1,939	1,865
Purchase of tangible fixed assets		<u>(226,886)</u>	<u>(21,915)</u>
Net cash used in investing activities		<u>(224,947)</u>	<u>(20,050)</u>
Change in cash and cash equivalents in the year		(67,635)	(175,766)
Cash and cash equivalents at 1 July 2021	B	182,897	358,663
Cash and cash equivalents at 30 June 2022	B	<u>115,262</u>	<u>182,897</u>

Notes to the statement of cash flows for the year to 30 June 2022.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	5,306	13,385
Adjustments for:		
Depreciation charge	56,802	64,345
Losses(gains) on investments	3,586	(8,776)
Investment income	(1,939)	(1,865)
(Increase)/decrease in stocks	(11,102)	9,463
Decrease in debtors	90,601	37,964
Increase (decrease) in creditors	14,058	(270,232)
Net cash provided by (used in) operating activities	<u>157,312</u>	<u>(155,716)</u>

B Analysis of cash and cash equivalents

	2022 £	2021 £
Total cash and cash equivalents: cash at bank and in hand	<u>115,262</u>	<u>182,897</u>

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 June 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 June 2022 with comparative information presented for the year to 30 June 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the level of income to be recognised from government agencies;
- ◆ the book value of stock;
- ◆ the useful economic life of tangible fixed assets; and
- ◆ the appropriate level of bad debt provision.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts, including considering the impact of Covid-19 on the charity's income, expenditure and reserves and the charity's employees and beneficiaries. The Trustee has made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure. Therefore, the Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and income from course fees and government agencies.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given with greater freedom of use, for example monies for core funding.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

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

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

Expenditure on charitable activities comprises the costs of operating a college including support costs and governance costs.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Furniture and general office equipment 10 - 50% per annum based on cost
- ◆ Plant and machinery 10 - 25% per annum based on cost

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Fixed asset investments (continued)

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Under the definitions set out in FRS 102, the Carpenters' Company Pension and Assurance Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Contributions to defined contribution schemes, including under auto-enrolment, have been charged in the statement of financial activities when payable.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Apart from fixed asset investments held at fair value (see above), basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand and debtors. Financial liabilities held at amortised cost comprise creditors.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Grant from Carpenters' Company Charitable Trust	1,265,213	—	1,265,213	1,139,381	—	1,139,381
Donation from The Worshipful Company of Carpenters	—	55,484	55,484	—	36,811	36,811
Other donations	17,398	24,000	41,398	2,781	24,000	26,781
2022 Total funds	1,282,611	79,484	1,362,095	1,142,162	60,811	1,202,973

2 Investments

	Unrestricted funds	
	2022 £	2021 £
Income from listed investments	1,939	1,865
2022 Total funds	1,939	1,865

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Course fees	603,133	—	603,133	393,484	—	393,484
Government agencies	857,883	16,541	874,424	1,071,297	13,436	1,084,733
Other Income	9,002	—	9,002	4,841	—	4,841
2022 Total funds	1,470,018	16,541	1,486,559	1,469,622	13,436	1,483,058

4 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
College operating costs						
Staff costs (note 6)	1,630,784	55,484	1,686,268	1,603,749	36,811	1,640,560
Rent	490,000	—	490,000	413,960	—	413,960
Tools	64,253	—	64,253	33,990	—	33,990
Materials	52,540	—	52,540	45,631	—	45,631
Light and power	83,175	—	83,175	49,724	—	49,724
Rates	14,702	—	14,702	24,316	—	24,316
Insurance	34,116	—	34,116	31,176	—	31,176
Equipment repairs and maintenance	45,368	—	45,368	51,157	—	51,157
Telephone and IT	66,448	—	66,448	62,472	—	62,472
Exhibitions and advertising	2,087	—	2,087	438	—	438
Cleaning	31,849	—	31,849	14,538	—	14,538
Books, printing and stationery	34,712	—	34,712	24,823	—	24,823
Depreciation	56,802	—	56,802	64,345	—	64,345
Building Crafts College prize giving	5,617	—	5,617	9,550	—	9,550
Exam fees	58,649	—	58,649	98,830	—	98,830
Provision for doubtful debts	13,764	—	13,764	8,000	—	8,000
Student welfare	17,385	6,500	23,885	23,839	—	23,839
Management charge	5,098	—	5,098	—	—	—
Governance costs	18,780	—	18,780	17,308	—	17,308
Miscellaneous	53,589	—	53,589	68,630	—	68,630
2022 Total funds	2,779,717	61,984	2,841,701	2,646,476	36,811	2,683,287

5 Net (expenditure) income before gains on Investments

This is stated after charging:

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Charity						
Staff costs (note 6)	1,630,784	55,484	1,686,268	1,603,749	36,811	1,640,560
Auditor's remuneration	18,780	—	18,780	17,308	—	17,308
Depreciation	56,802	—	56,802	64,345	—	64,345
Operating lease rentals	490,000	—	490,000	413,960	—	413,960

6 Employees and staff costs

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Wages and salaries	1,336,290	55,484	1,391,774	1,234,063	36,811	1,270,874
Social security costs	126,149	—	126,149	118,665	—	118,665
Other pension costs	97,320	—	97,320	101,668	—	101,668
Other staff costs	71,025	—	71,025	149,353	—	149,353
	1,630,784	55,484	1,686,268	1,603,749	36,811	1,640,560

Staff costs include redundancy costs of £55,484 (2021 - £26,915).

The average number of employees during the year was 40 (2021 - 43).

6 Employees and staff costs (continued)

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions) during the year was as follows:

	2022 Number	2021 Number
£60,000 - £69,999	1	—
£80,000 - £89,999	—	1
£100,000 - £109,999	1	—

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal and the Business Manager (and former Bursar).

The total remuneration (including taxable benefits, employer's pension contributions and employer's national insurance contributions) of the key management personnel for the year was £196,293 (2021 - £120,580).

7 Trustee's remuneration

None of the members of the Court of Assistants or the Governors received any remuneration in respect of their services as trustees during the year nor any reimbursement of expenses from the charity (2021 - nil).

8 Taxation

Building Crafts College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Leasehold improvements £	Furniture and office equipment £	Plant and machinery £	Total £
Cost				
At 1 July 2021	—	514,931	349,404	864,335
Additions	160,920	65,402	564	226,886
At 30 June 2022	160,920	580,333	349,968	1,091,221
Depreciation				
At 1 July 2021	—	482,813	267,037	749,850
Charge in year	—	25,548	31,254	56,802
At 30 June 2022	—	508,361	298,291	806,652
Net book values				
At 30 June 2022	160,920	71,972	51,677	284,569
At 30 June 2021	—	32,118	82,367	114,485

Notes to the accounts 30 June 2022

10 Fixed asset Investments

	2022 £	2021 £
Listed investments		
Market value at 1 July 2021	68,525	59,749
Unrealised (losses)/gains on investments	(3,586)	8,776
Market value at 30 June 2022	<u>64,939</u>	<u>68,525</u>
 Cost of listed investments at 30 June 2022	 <u>6,558</u>	 <u>6,558</u>

Listed investments comprise COIF Charities Investment Fund Income units.

11 Debtors

	2022 £	2021 £
Course fees and support including accrued income	51,299	35,249
Government agencies	51,604	66,793
Other debtors	6,081	1,643
Prepayments	34,953	130,853
	<u>143,937</u>	<u>234,538</u>

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Due to Carpenters' Company Charitable Trust	189,865	345,537
Due to The Worshipful Company of Carpenters	5,098	—
Other creditors and accruals	326,969	162,337
	<u>521,932</u>	<u>507,874</u>

13 Endowment funds

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 July 2020 £	Investment gains £	At 30 June 2021 £	Investment losses £	At 30 June 2022 £
John Willson Trust	7,785	1,144	8,929	(467)	8,462
Technical Education (general)	1,308	193	1,501	(79)	1,422
Sir Henry Harben's Gift	15,705	2,307	18,012	(943)	17,070
Alfred Preston's Prize Fund	7,232	1,062	8,294	(434)	7,860
Barnes' Gift	1,712	251	1,963	(103)	1,860
Sir Banister Fletcher Trust	10,555	1,550	12,105	(633)	11,471
Major C A A Robertson's Prize Fund 1996	11,581	1,701	13,282	(695)	12,587
C K Austin Fund	3,871	568	4,439	(232)	4,207
	<u>59,749</u>	<u>8,776</u>	<u>68,525</u>	<u>(3,586)</u>	<u>64,939</u>

The funds were established to provide income for prizes.

14 Restricted funds

The income funds of the charity include the following restricted funds.

	At 1 July 2021 £	Income £	Expenditure £	Transfers £	At 30 June 2022 £
Carpenters' Company funds	—	55,484	(55,484)	—	—
City & Guilds funds	40,000	24,000	—	(18,650)	45,350
16-18 Bursary funds	13,712	7,541	—	(6,499)	14,754
Adult Bursary funds	12,996	—	—	—	12,996
ESFA Employer Incentives	—	9,000	(6,500)	—	2,500
	<u>66,708</u>	<u>96,025</u>	<u>(61,984)</u>	<u>(25,149)</u>	<u>75,600</u>

	At 1 July 2020 £	Income £	Expenditure £	Transfers £	At 30 June 2021 £
Carpenters' Company funds	—	36,811	(36,811)	—	—
City & Guilds funds	26,000	24,000	—	(10,000)	40,000
16-18 Bursary funds	23,103	13,436	—	(22,827)	13,712
Adult Bursary funds	12,996	—	—	—	12,996
	<u>62,099</u>	<u>74,247</u>	<u>(36,811)</u>	<u>(32,827)</u>	<u>66,708</u>

The transfers to unrestricted funds represents the utilisation of the funds to meet College fees in line with the terms of the funds or amounts used for capital expenditure where the terms of the donation have been met.

The specific purposes for which the funds are to be applied are as follows:

- ◆ The Carpenters' Company funds were donations for specific purposes including repairs, capital expenditure and redundancy costs.
- ◆ The City & Guilds funds are to be used for students on specific courses.
- ◆ The 16-18 and Adult Bursary funds and ESFA Employer Incentives fund are for students on ESFA funded courses.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £
Fund balances at 30 June 2022				
are represented by:				
Fixed assets	284,569	—	64,939	349,508
Current assets	237,363	75,600	—	312,963
Creditors: amounts falling due within one year	(521,932)	—	—	(521,932)
Total net assets	—	75,600	64,939	140,539
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Endowment funds £</i>	<i>Total 2021 £</i>
Fund balances at 30 June 2021				
are represented by:				
Fixed assets	114,485	—	68,525	183,010
Current assets	393,389	66,708	—	460,097
Creditors: amounts falling due within one year	(507,874)	—	—	(507,874)
Total net assets	—	66,708	68,525	135,233

16 Commitments**Operating leases**

At 30 June 2022 the total future lease payments under non-cancellable operating leases were as follows:

	2022 £	2021 £
Payable within		
One year	535,566	133,000
Two to five years	2,108,099	153,750
After five years	606,250	—
	3,249,915	286,750

17 Pension commitments

Certain former employees of the charity are members of the "Carpenters' Company Pension and Assurance Scheme" which provides benefits based on final pensionable salary. The assets of the scheme are held separately from those of the sponsoring employer, The Worshipful Company of Carpenters, being invested with Legal and General Assurance in an Insurance Contract.

The contributions are determined on the basis of triennial valuations by a qualified actuary using the attained age method. The employers' contribution rate is 28.3% of pensionable pay and the employees' contribution rate is 6% of pensionable pay. The total charge for the year in these accounts is £ nil (2021 - £ nil). The last active employee in the pension scheme took his pension from 5 October 2019.

17 Pension commitments (continued)

A triennial valuation was carried out as at 1 July 2021 and showed that the market value of the scheme's assets was £4,707,000 and that the ongoing funding level was 114%.

The assumptions which have the most significant effect on the results of the valuation are as follows:

◆ RPI	3.3% p.a.
◆ Earnings increases	5.0% p.a.
◆ Discount rate	3.9% p.a.

The investment return on new contributions and existing assets will equal the funding discount rate used to calculate the liabilities.

The scheme has been closed to new members. New employees are able to join a group personal pension scheme administered by Aegon.

This scheme is a multi-employer scheme and it is not possible to identify the charity's share of the scheme assets and liabilities on a reasonable and consistent basis. Therefore, the pension costs have been accounted for as if it was a defined contribution scheme. As at 30 June 2022 there were no active members in the scheme.

Some details concerning the scheme as a whole are set out below. The following information is based upon a full actuarial valuation of the scheme as at 1 July 2021 updated to 30 June 2022 by a qualified independent actuary using FRS 102 guidelines.

	2022 £	2021 £
Market value of assets	3,350,000	4,707,000
Present value of scheme liabilities	(3,473,000)	(4,417,000)
(Deficit) surplus in the scheme – net pension (liability) asset	(123,000)	290,000

The assets in the scheme were:

	2022 £	2021 £
Deposit administration contract (insurance policy)	3,350,000	4,707,000

The major assumptions used by the actuary were:

	2022	2021
Inflation	3.3%	3.3%
Rate of increase for pensions		
· earned before 1 August 1998	5.0%	5.0%
· earned after 31 July 1998	3.3%	3.3%
Discount rate for liabilities	3.9%	1.8%

18 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as Trustee of, the following charities which are registered with the Charity Commission:

- ◆ Carpenters' Company Charitable Trust: No 276996
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

During the year the charity received grants from Carpenters' Company Charitable Trust of £1,265,213 (2021 - £1,139,381), paid rent to Carpenters' Company Charitable Trust of £449,000 (2021 - £370,960) and paid rent to The Worshipful Company of Carpenters of £41,000 (2021 - £43,000). The charity incurred a management charge from The Worshipful Company of Carpenters for this year of £5,098 (2021 - £nil) and received donations from The Worshipful Company of Carpenters of £55,484 (2021 - £36,811).

There were no other related party transactions.

Amounts due to related parties are disclosed in note 12 to the accounts.

BUILDING CRAFTS COLLEGE

England & Wales - Charity number 312856

Accounts

**Building Crafts
College**

**Annual Report and
Accounts**

30 June 2021

Charity Registration Number
312856

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Legal and administrative information

Trustee	The Worshipful Company of Carpenters
Members of the Court	
The Master	Mr M Morrison
Senior Warden	Brigadier M J Meardon
Middle Warden	Dr A Zimbler
Junior Warden	Dr L D G Grossman
	Mr V G Morton-Smith
	Mr W S Haynes
	Mr P A Luton (emeritus 4 August 2021)
	Mr J A C Wheeler
	Mr M O P May
	Mr M R Mathews
	Revd Dr W P Povey
	Mr H M Lancaster
	Mr M J Samuel
	Mr M R Mosley
	Mr M W F Felton
	Mr M H W Neal
	Mr A M Gregory-Smith
	Mrs R F Bower
	His Honour P W Birts QC
Deputy Master	The Lord Flight, of Worcester
The Clerk	Brigadier T J Gregson
Financial Controller	Ms J L Brundell
The College Principal	Mr D Dowdles
College address	Kennard Road Stratford London E15 1AH
Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ
Charity registration number	312856

Legal and administrative information

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Investment advisors The Investments Committee of The Worshipful
Company of Carpenters

Solicitors Wedlake Bell LLP
71 Queen Victoria Street
London
EC4V 4AY

Surveyors Daniel Watney LLP
165 Fleet Street
London
EC4A 2DW

The Trustee presents its statutory report together with the accounts of the Building Crafts College (the "charity") for the year ended 30 June 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 17 to 20 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The charity is governed by a constitution last revised on 7 March 2006.

The overall responsibility for the charity lies with the Trustee, The Worshipful Company of Carpenters as represented by the Master, Wardens and Court of Assistants, the members of which are listed on page 1. Under the charity's constitution certain responsibilities are delegated to the Governors who are members of the Building Crafts College Committee of The Worshipful Company of Carpenters. Responsibility for the day to day management of the College is delegated to the College Principal who reports to the Court of The Worshipful Company of Carpenters on a monthly basis.

The Trustee, The Worshipful Company of Carpenters, which performs its function as Trustee through its Court of Assistants, appoints its Assistants from within its members, of which normally one is inducted each year.

The Trustee has considerable experience of the charity through the Court of Assistants. This experience has been gathered over many years and the Court's knowledge of the workings of the charity is extensive. Further training has been given to members of the Court during the year and is made available where appropriate. Professional advice is always sought where required.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal and the Business Manager (and former Bursar).

The remuneration of all staff, including the key management personnel, is reviewed each November, with changes implemented with effect from the following 1 January.

Risk management

The Trustee has assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and has reviewed them on an annual basis. The Trustee believes that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, it has established effective systems to mitigate those risks.

Structure, governance and management (continued)

Risk management (continued)

The key risks facing the College, in addition to the impact of Covid-19 referred to later in this report, are as follows:

- ◆ Significant reputational damage, such as a poor Ofsted grading or safeguarding failure, might lead to the withdrawal of contracts and poor recruiting and retention. A failure to recruit to course targets at the start of the year is the greatest risk faced by the College. The only realistic remedial action is to launch fresh courses in January each year.
- ◆ Withdrawal of funding, either from the Worshipful Company of Carpenters or from government and other sources. The College guards against long term trends, such as the recent reduction in government funding for adults, by re-focussing course provision to match potential government income streams (hence the current emphasis on 16-18 year old learners and apprenticeships).
- ◆ Physical risk, such as fire or mechanical injury (Health & Safety). The Company has an insurance policy with the Livery Companies Mutual to protect the College against this risk.

These risks are reviewed constantly by the Governors and the Senior Management Team at the College.

Connected charities and related parties

The Worshipful Company of Carpenters is responsible for the management and administration of three other registered charities, details of which are given in note 18 to the accounts.

The College operates from premises leased from the Worshipful Company of Carpenters and from a connected charity, Carpenters' Company Charitable Trust. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure.

Objectives and activities

The aims of the charity are the promotion of education and training in the building and allied crafts and trades.

The charity fulfils its principal aims through the operation of a college known as the Building Crafts College (the 'College') which is based in Stratford, London E15.

In addition, grants, scholarships and awards are made annually.

The main objectives for the year were to develop and expand construction based training courses.

Public benefit statement

The Trustee confirms that it has complied with its duty under section 4 of the Charities Act 2011. It has considered the public benefit guidance published by the Charity Commission and believes that it has followed its guidance in this area. The Trustee's report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes and the Trustee is satisfied that all such activities provide a public benefit.

Fundraising statement

The charity does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. During the current and prior year, the charity received no complaints about fundraising activities.

Achievements and activities during the year

This last year has presented many significant challenges for the Building Crafts College, not least of which was the difficulty of trying to remain open for as long as possible and to sustain delivery to the maximum during the pandemic, a period when many other institutions elected or were forced to close. The overriding priority was to afford those groups where the completion of a course, and hence possibly also the award of a qualification, were concerned every possible chance of securing a successful outcome in their respective programmes of study.

To achieve this the full College staff team committed to the organisation and delivery of additional shift patterns across longer working days, the temporary introduction of weekend and evening working and the addition of a fourth term during the Summer 2021 for the purposes of catch-up. The thinking here, whilst radical, allowed the College to deliver to the greatest number of a students with as little disruption to 'normal' teaching and learning as possible. Now tried and tested, this new pattern is likely to become the norm going forward.

Fortunately, the efforts and determination of all staff and students were met with considerable success, particularly in terms of apprenticeship End Point Assessments, where results this year have been higher than at many points in the history of the College. Indeed, the highest ever apprenticeship assessment theory result - 94% - was achieved this year. Moreover, in Stonemasonry a Diploma student was awarded first place in a friendly World Skills Competition in May.

Sustaining high achievement rates throughout the pandemic was reflected in the finding of Ofsted which visited on no less than three occasions and reported that the College had been making 'Reasonable Progress'. Ofsted's judgement took account of the introduction of a significant number of key initiatives by the Senior Management Team. These included the implementation of a comprehensive programme of staff development and student tracking across all disciplines as well as a greater emphasis on employer engagement, achieved with the creation of a dedicated Senior Manager role to oversee this critical area of activity.

Achievements and activities during the year (continued)

At governance level the College also focussed on a comprehensive revision of Governors' individual roles and responsibilities including the introduction of a number of new sub-committees with oversight of key areas of College operations. These include a new Curriculum, Quality and Performance Committee, a Finance and General Purposes Committee and an Admissions and Marketing Committee.

The latter Committee works closely with a recently-established in-house team with responsibility for the promotion and rebranding of the College. This new team has not only significantly extended the range of courses on offer, including the addition of an extensive programme of short courses, but has also reorganized existing courses to afford greater flexibility in terms of delivery and hence opportunities for students to study part-time whilst continuing to work. This flexibility, which in some cases involves delivering courses at weekends and evenings throughout the full calendar year as opposed to the standard 'three-term' year, has impacted positively on recruitment, particularly in wood related disciplines where growing demand has necessitated the appointment of additional highly qualified and industry-experienced staff and the acquisition of new teaching resources.

In the course of what has inevitably been an unprecedented academic year the College has had to rise to many challenges, whether as a result of the pandemic or the natural process of evolution and adaptation. In an increasingly dynamic and competitive market place, and against the backdrop of a difficult financial landscape, the Building Crafts College is starting, once again, to come in to its own. This is inevitably the moment to capitalise on this renewed interest and to strengthen both the College's and the Carpenters' Company's position with respect to their educational and philanthropic activities. We commend all those who have been, and continue to be, instrumental in contributing to this process.

Financial review

A summary of the results of the charity for the year can be found on page 13. Total income of the charity for the year amounted to £2,687,896 (2020 – £2,905,907) of which £1,139,381 (2020 - £1,026,868) comprised a grant from Carpenters' Company Charitable Trust. Total expenditure of the charity during the year decreased from £2,892,612 to £2,683,287. This includes rental costs for the College of £413,960 (2020 – £403,960).

Reserves policy

The balance sheet shows total funds of £135,233 (2020 - £121,848) which comprise permanent endowment funds of £68,525 (2020 - £59,749) and restricted funds of £66,708 (2020 - £62,099).

As explained above, the charity is dependent on the financial support of The Worshipful Company of Carpenters and it has no 'free' reserves.

Investment policy

The charity has investments comprising COIF Charities Investment Fund units with a market value as at 30 June 2021 of £68,525 (2020 - £59,749).

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustee and takes into account income requirements, risk profile and its view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income. The Trustee is satisfied that its investment policy is being achieved.

Financial review (continued)

Post balance sheet events and future plans

Whilst the number of apprentices in 2020-21 has decreased as a result of employers closing or cutting costs due to the Coronavirus pandemic, numbers are expected to grow steadily over the coming years as the reputation of the College continues to grow. Work in this area is supported by the new Senior Manager (Employer Engagement) and the new Head of Admissions and Marketing who manages a team with responsibility for the promotion and rebranding of the College. Already that team has significantly extended the range of courses offered including the addition of an extensive programme of short courses and has worked on the reorganisation of some existing courses to afford greater flexibility in terms of delivery and hence opportunities for students to study part-time whilst continuing to work. This flexibility, including plans to run courses at weekends and evenings, is starting to impact positively on recruitment, particularly in wood related disciplines.

However, the impact of Covid on the year 2021-22 is still uncertain and the potential pressure on the use of classroom space may increase due to any on-going requirement for social distancing. To date, there have been several cases of Covid within the College staff and student body which has led to short temporary closures mainly in specific departments/class groups. To mitigate lost teaching time catch-up sessions have been organised throughout the Summer vacation period. The potential for further short-term closures relating to future Government guidance on Covid-19 or responding to local infection, continues to pose a risk to the business by shortening the time in which students can attain their qualifications and potentially reducing income. At present, the Government has not reduced educational funding for 16-19s or apprentices but this is not a certainty for the future.

Taking account of the above, income projections (2021/22) for budgeting purposes have been based on an expected reduction by 30% from 2020-21. The impact of staff restructuring and the introduction of more stringent budgetary/financial modelling whereby the respective departmental areas must now, in terms of student numbers, resources and staffing, demonstrate accountability will have a positive impact on our financial control measures.

In terms of staffing, a comprehensive programme of staff development has been put in place with a primary focus on Teaching and Learning. Similarly, a new system of student tracking has been implemented and will be supported by way of a new Student Information Management System (SIMS) that has been acquired and has been operational from September.

One of the greatest challenges going forward is inevitably that of improving upon current capital resources and the College's premises. Both the Gibbins Road and the Kennard Road sites are not ideal, particularly in a competitive market place. The key appointment of a new Business Manager with oversight of the physical campus will be invaluable in helping address concerns in this regard.

Post balance sheet events and future plans (continued)

Against this backdrop of academic reorganisation and an enhanced curricular offering, the injection of new staff blood, financial restructuring, greater employer and audience engagement as well as some outstanding results that sit comfortably against national averages, the College is now setting itself on a new course. As a consequence – and notwithstanding the pandemic and the need for a significant rebranding as well as new facilities - the trend going forward in terms of applications looks to be generally positive.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing accounts giving a true and fair view, the Trustee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf by:



M Morrison
Master
The Worshipful Company of Carpenters (Trustee)

Approved on: 3 November 2021

Independent auditor's report to the Trustee of The Building Crafts College

Opinion

We have audited the accounts of The Building Crafts College (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the accounts which include the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2021 and of 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

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

Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report and Accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Auditor's responsibilities for the audit of the accounts (continued)

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011, the financial reporting framework referred to above and safeguarding regulations; and
- ◆ we understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management (and those responsible for legal and compliance procedures). We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee 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 charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

3 November 2021

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 30 June 2021

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
Income from:						
Donations and legacies	1	1,142,162	60,811	—	1,202,973	1,293,737
Investment income	2	1,865	—	—	1,865	1,769
Charitable activities	3	1,469,622	13,436	—	1,483,058	1,610,401
Total income		<u>2,613,649</u>	<u>74,247</u>	<u>—</u>	<u>2,687,896</u>	<u>2,905,907</u>
Expenditure on:						
Charitable activities	4	2,646,476	36,811	—	2,683,287	2,892,612
Total expenditure		<u>2,646,676</u>	<u>36,811</u>	<u>—</u>	<u>2,683,287</u>	<u>2,892,612</u>
Net (expenditure) income before gains on investments						
	5	(32,827)	37,436	—	4,609	13,295
Net gains on investments		<u>—</u>	<u>—</u>	<u>8,776</u>	<u>8,776</u>	<u>1,665</u>
Net (expenditure) income for the year		<u>(32,827)</u>	<u>37,436</u>	<u>8,776</u>	<u>13,385</u>	<u>14,960</u>
Transfers between funds	14	32,827	(32,827)	—	—	—
Net movement in funds		<u>—</u>	<u>4,609</u>	<u>8,776</u>	<u>13,385</u>	<u>14,960</u>
Reconciliation of funds:						
Fund balances brought forward at 1 July 2020		<u>—</u>	<u>62,099</u>	<u>59,749</u>	<u>121,848</u>	<u>106,888</u>
Fund balances carried forward at 30 June 2021		<u>—</u>	<u>66,708</u>	<u>68,525</u>	<u>135,233</u>	<u>121,848</u>

All of the charity's activities derived from continuing operations during the above two financial periods.

Statement of financial activities Year to 30 June 2020

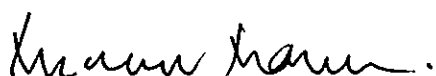
	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £
<i>Income from:</i>					
<i>Donations and legacies</i>	1	1,046,270	247,467	—	1,293,737
<i>Investment income</i>	2	1,769	—	—	1,769
<i>Charitable activities</i>	3	1,610,401	—	—	1,610,401
<i>Total income</i>		<u>2,658,440</u>	<u>247,467</u>	<u>—</u>	<u>2,905,907</u>
<i>Expenditure on:</i>					
<i>Charitable activities</i>	4	2,752,145	140,467	—	2,892,612
<i>Total expenditure</i>		<u>2,752,145</u>	<u>140,467</u>	<u>—</u>	<u>2,892,612</u>
<i>Net (expenditure) income before gains on investments</i>	5	(93,705)	107,000	—	13,295
<i>Net gains on investments</i>		—	—	1,665	1,665
<i>Net (expenditure) income for the year</i>		(93,705)	107,000	1,665	14,960
<i>Transfers between funds</i>	14	93,705	(93,705)	—	—
<i>Net movement in funds</i>		—	13,295	1,665	14,960
<i>Reconciliation of funds:</i>					
<i>Fund balances brought forward at 1 July 2019</i>		—	48,804	58,084	106,888
<i>Fund balances carried forward at 30 June 2020</i>		—	62,099	59,749	121,848

All of the charity's activities derived from continuing operations during the above financial period.

Balance Sheet 30 June 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible fixed assets	9	114,485	156,915
Investments	10	68,525	59,749
		<u>183,010</u>	<u>216,664</u>
Current assets			
Stock		42,662	52,125
Debtors	11	234,538	272,502
Cash at bank and in hand		182,897	358,663
		<u>460,097</u>	<u>683,290</u>
Creditors: amounts falling due within one year	12	<u>(507,874)</u>	<u>(778,106)</u>
Net current liabilities		(47,777)	(94,816)
Total net assets		<u>135,233</u>	<u>121,848</u>
The funds of the charity:			
Funds and reserves			
<i>Capital funds:</i>			
Endowment funds	13	68,525	59,749
<i>Income funds:</i>			
Restricted funds	14	66,708	62,099
		<u>135,233</u>	<u>121,848</u>

Approved by the Trustee
and signed on its behalf by:



M Morrison
Master
The Worshipful Company of Carpenters (Trustee)

Approved on: 3 November 2021

Statement of cash flows 30 June 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(155,716)	352,187
Cash flows from investing activities:			
Investment income		1,865	1,769
Purchase of tangible fixed assets		(21,915)	(119,320)
Net cash used in Investing activities		(20,050)	(117,551)
Change in cash and cash equivalents In the year		(175,766)	234,636
Cash and cash equivalents at 1 July 2020	B	358,663	124,027
Cash and cash equivalents at 30 June 2021	B	182,897	358,663

Notes to the statement of cash flows for the year to 30 June 2021.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	13,385	14,960
Adjustments for:		
Depreciation charge	64,345	28,135
Gains on investments	(8,776)	(1,665)
Investment income	(1,865)	(1,769)
Decrease in stocks	9,463	37,807
Decrease in debtors	37,964	104,557
(Decrease) increase in creditors	(270,232)	170,162
Net cash (used in) provided by operating activities	(155,716)	352,187

B Analysis of cash and cash equivalents

	2021 £	2020 £
Total cash and cash equivalents: cash at bank and in hand	182,897	358,663

Principal accounting policies 30 June 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 June 2021 with comparative information presented for the year to 30 June 2020.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the level of income to be recognised from government agencies and the CITB contract;
- ◆ the book value of stock;
- ◆ the useful economic life of tangible fixed assets; and
- ◆ the appropriate level of bad debt provision.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts, including considering the impact of Covid-19 on the charity's income, expenditure and reserves and the charity's employees and beneficiaries. The Trustee has made this assessment in respect of a period of at least one year from the date of approval of these accounts.

Assessment of going concern (continued)

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The charity is dependent on the financial support of The Worshipful Company of Carpenters and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted income equals its unrestricted expenditure. Therefore, the Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and income from course fees and government agencies.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given with greater freedom of use, for example monies for core funding.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

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

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

Expenditure on charitable activities comprises the costs of operating a college including support costs and governance costs.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Furniture and general office equipment 10 - 50% per annum based on cost
- ◆ Plant and machinery 10 - 25% per annum based on cost

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Under the definitions set out in FRS 102, the Carpenters' Company Pension and Assurance Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Contributions to defined contribution schemes, including under auto-enrolment, have been charged in the statement of financial activities when payable.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Apart from fixed asset investments held at fair value (see above), basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand and debtors. Financial liabilities held at amortised cost comprise creditors.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Grant from Carpenters' Company Charitable Trust	1,139,381	—	1,139,381	1,026,868	—	1,026,868
Donation from The Worshipful Company of Carpenters	—	36,811	36,811	—	183,718	183,718
Other donations	2,781	24,000	26,781	19,402	63,749	83,151
2021 Total funds	1,142,162	60,811	1,202,973	1,046,270	247,467	1,293,737

2 Investments

	Unrestricted funds	
	2021 £	2020 £
Income from listed investments	1,865	1,769
2021 Total funds	1,865	1,769

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Course fees	393,484	—	393,484	385,109	—	385,109
Government agencies	1,071,297	13,436	1,084,733	1,196,398	—	1,196,398
Other income	4,841	—	4,841	28,894	—	28,894
2021 Total funds	1,469,622	13,436	1,483,058	1,610,401	—	1,610,401

4 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
College operating costs						
Staff costs (note 6)	1,603,749	36,811	1,640,560	1,733,546	80,878	1,814,424
Rent	413,960	—	413,960	403,960	—	403,960
Tools	33,990	—	33,990	23,892	—	23,892
Materials	45,631	—	45,631	65,556	—	65,556
Light and power	49,724	—	49,724	47,340	—	47,340
Rates	24,316	—	24,316	11,365	—	11,365
Insurance	31,176	—	31,176	32,706	—	32,706
Equipment repairs and maintenance	51,157	—	51,157	73,411	59,589	133,000
Telephone and IT	62,472	—	62,472	56,108	—	56,108
Exhibitions and advertising	438	—	438	15,697	—	15,697
Cleaning	14,538	—	14,538	28,560	—	28,560
Books, printing and stationery	24,823	—	24,823	29,298	—	29,298
Depreciation	64,345	—	64,345	28,135	—	28,135
Building Crafts College prize giving	9,550	—	9,550	6,272	—	6,272
Training and seminars	—	—	—	3,350	—	3,350
Exam fees	98,830	—	98,830	35,390	—	35,390
Provision for doubtful debts	8,000	—	8,000	12,604	—	12,604
Student welfare	23,839	—	23,839	38,428	—	38,428
Management charge	—	—	—	30,000	—	30,000
Governance costs	17,308	—	17,308	21,072	—	21,072
Miscellaneous	68,630	—	68,630	55,455	—	55,455
2021 Total funds	2,646,476	36,811	2,683,287	2,752,145	140,467	2,892,612

5 Net (expenditure) income before gains on investments

This is stated after charging:

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Charlty						
Staff costs (note 6)	1,603,749	36,811	1,640,560	1,733,546	80,878	1,814,424
Auditor's remuneration	17,308	—	17,308	21,072	—	21,072
Depreciation	64,345	—	64,345	28,135	—	28,135
Operating lease rentals	413,960	—	413,960	403,960	—	403,960

6 Employees and staff costs

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Wages and salaries	1,234,063	36,811	1,270,874	1,358,587	80,878	1,439,465
Social security costs	118,665	—	118,665	141,805	—	141,805
Other pension costs	101,668	—	101,668	129,079	—	129,079
Other staff costs	149,353	—	149,353	104,075	—	104,075
	1,603,749	36,811	1,640,560	1,733,546	80,878	1,814,424

Staff costs include redundancy costs of £26,915 (2020 - nil).

The average number of employees during the year was 43 (2020 – 54).

6 Employees and staff costs (continued)

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions) during the year was as follows:

	2021 Number	2020 Number
£60,000 - £69,999	—	1
£80,000 - £89,999	1	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Court of Assistants, the Governors, the Principal and the Business Manager (and former Bursar).

The total remuneration (including taxable benefits, employer's pension contributions and employer's national insurance contributions) of the key management personnel for the year was £120,580 (2020 - £184,239).

7 Trustee's remuneration

None of the members of the Court of Assistants or the Governors received any remuneration in respect of their services as trustees during the year nor any reimbursement of expenses from the charity (2020 - nil).

8 Taxation

Building Crafts College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Furniture and office equipment £	Plant and machinery £	Total £
Cost			
At 1 July 2020	496,808	345,612	842,420
Additions	18,123	3,792	21,915
At 30 June 2021	<u>514,931</u>	<u>349,404</u>	<u>864,335</u>
Depreciation			
At 1 July 2020	454,609	230,896	685,505
Charge in year	28,204	36,141	64,345
At 30 June 2021	<u>482,813</u>	<u>267,037</u>	<u>749,850</u>
Net book values			
At 30 June 2021	<u>32,118</u>	<u>82,367</u>	<u>114,485</u>
At 30 June 2020	<u>42,199</u>	<u>114,716</u>	<u>156,915</u>

10 Fixed asset investments

	2021 £	2020 £
Listed investments		
Market value at 1 July 2020	59,749	58,084
Unrealised gains on investments	8,776	1,665
Market value at 30 June 2021	<u>68,525</u>	<u>59,749</u>
Cost of listed investments at 30 June 2021	<u>6,558</u>	<u>6,558</u>

Listed investments comprise COIF Charities Investment Fund Income units.

11 Debtors

	2021 £	2020 £
Course fees and support including accrued income	35,249	10,148
Government agencies	66,793	120,684
Other debtors	1,643	13,800
Prepayments	130,853	127,870
	<u>234,538</u>	<u>272,502</u>

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Due to Carpenters' Company Charitable Trust	345,537	463,957
Due to The Worshipful Company of Carpenters	—	30,000
Due to Norton Folgate Trust	—	50,800
Other creditors and accruals	162,337	233,349
	<u>507,874</u>	<u>778,106</u>

13 Endowment funds

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 July 2019 £	Investment gains £	At 30 June 2020 £	Investment gains £	At 30 June 2021 £
John Willson Trust	7,568	217	7,785	1,144	8,929
Technical Education (general)	1,272	36	1,308	193	1,501
Sir Henry Harben's Gift	15,268	437	15,705	2,307	18,012
Alfred Preston's Prize Fund	7,030	202	7,232	1,062	8,294
Barnes' Gift	1,664	48	1,712	251	1,963
Sir Banister Fletcher Trust	10,261	294	10,555	1,550	12,105
Major C A A Robertson's Prize Fund 1996	11,258	323	11,581	1,701	13,282
C K Austin Fund	3,763	108	3,871	568	4,439
	<u>58,084</u>	<u>1,665</u>	<u>59,749</u>	<u>8,776</u>	<u>68,525</u>

The funds were established to provide income for prizes.

14 Restricted funds

The income funds of the charity include the following restricted funds.

	At 1 July 2020 £	Income £	Expenditure £	Transfers £	At 30 June 2021 £
Carpenters' Company funds	—	36,811	(36,811)	—	—
City & Guilds funds	26,000	24,000	—	(10,000)	40,000
16-18 Bursary funds	23,103	13,436	—	(22,827)	13,712
Adult Bursary funds	12,996	—	—	—	12,996
	<u>62,099</u>	<u>74,247</u>	<u>(36,811)</u>	<u>(32,827)</u>	<u>66,708</u>

	At 1 July 2019 £	Income £	Expenditure £	Transfers £	At 30 June 2020 £
Carpenters' Company funds	—	183,718	(100,718)	(83,000)	—
City & Guilds funds	2,000	24,000	—	—	26,000
16-18 Bursary funds	33,808	—	—	(10,705)	23,103
Adult Bursary funds	12,996	—	—	—	12,996
The Portal Trust fund	—	39,749	(39,749)	—	—
	<u>48,804</u>	<u>247,467</u>	<u>(140,467)</u>	<u>(93,705)</u>	<u>62,099</u>

The transfers to unrestricted funds represents the utilisation of the funds to meet College fees in line with the terms of the funds or amounts used for capital expenditure where the terms of the donation have been met.

The specific purposes for which the funds are to be applied are as follows:

- ◆ The Carpenters' Company funds were donations for specific purposes including repairs and capital expenditure.
- ◆ The City & Guilds funds are to be used for students on specific courses.
- ◆ The 16-18 and Adult Bursary funds are for students on ESFA funded courses.
- ◆ The Portal Trust fund (formerly Sir John Cass PDBW fund) represented monies donated to pay the salary of a personal development, behaviour and welfare co-ordinator.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
Fund balances at 30 June 2021				
are represented by:				
Fixed assets	114,485	—	68,525	183,010
Current assets	393,389	66,708	—	460,097
Creditors: amounts falling due within one year	(507,874)	—	—	(507,874)
Total net assets	—	66,708	68,525	135,233
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £
Fund balances at 30 June 2020				
are represented by:				
Fixed assets	156,915	—	59,749	216,664
Current assets	621,191	62,099	—	683,290
Creditors: amounts falling due within one year	(778,106)	—	—	(778,106)
Total net assets	—	62,099	59,749	121,848

16 Commitments**Operating leases**

At 30 June 2021 the total future lease payments under non-cancellable operating leases were as follows:

	Land and buildings	
	2021 £	2020 £
Payable within		
One year	133,000	413,101
Two to five years	153,750	246,490
	286,750	659,591

Since the year end, the College has committed to additional annual rent of £485,000 per annum for five years from September 2021.

17 Pension commitments

Certain former employees of the charity are members of the "Carpenters' Company Pension and Assurance Scheme" which provides benefits based on final pensionable salary. The assets of the scheme are held separately from those of the sponsoring employer, The Worshipful Company of Carpenters, being invested with Legal and General Assurance in an Insurance Contract.

The contributions are determined on the basis of triennial valuations by a qualified actuary using the attained age method. The employers' contribution rate is 28.3% of pensionable pay and the employees' contribution rate is 6% of pensionable pay. The total charge for the year in these accounts is £nil (2020 - £3,385). The last active employee in the pension scheme took his pension from 5 October 2019.

17 Pension commitments (continued)

The most recent valuation was as at 1 July 2019 and showed that the market value of the scheme's assets was £5,006,000 and that the ongoing funding level was 124%. The assumptions which have the most significant effect on the results of the valuation are as follows:

◆ RPI	3.1% p.a.
◆ Earnings increases	3.1% p.a.
◆ Discount rate	2.6% p.a.

The investment return on new contributions and existing assets will equal the funding discount rate used to calculate the liabilities.

The scheme has been closed to new members. New employees are able to join a group personal pension scheme administered by Aegon.

This scheme is a multi-employer scheme and it is not possible to identify the charity's share of the scheme assets and liabilities on a reasonable and consistent basis. Therefore, the pension costs have been accounted for as if it was a defined contribution scheme. As at 30 June 2021 there were no active members in the scheme.

Some details concerning the scheme as a whole are set out below. The information is based upon a full actuarial valuation of the scheme at 1 July 2019 updated to 30 June 2021 by a qualified independent actuary using FRS 102 guidelines.

	2021 £	2020 £
Market value of assets	4,707,000	4,467,000
Present value of scheme liabilities	(4,417,000)	(4,747,000)
Surplus (deficit) in the scheme – net pension asset (liability)	290,000	(280,000)

The assets in the scheme were:

	2021 £	2020 £
Deposit administration contract (insurance policy)	4,707,000	4,467,000

The major assumptions used by the actuary were:

	2021	2020
Inflation	3.3%	3.2%
Rate of increase for pensions		
· earned before 1 August 1998	5.0%	5.0%
· earned after 31 July 1998	3.3%	3.2%
Discount rate for liabilities	1.8%	1.4%

18 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as Trustee of, the following charities which are registered with the Charity Commission:

- ◆ Carpenters' Company Charitable Trust: No 276996
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

During the year the charity received grants from Carpenters' Company Charitable Trust of £1,139,381 (2020 - £1,026,868), paid rent to Carpenters' Company Charitable Trust of £370,960 (2020 - £370,960) and paid rent to The Worshipful Company of Carpenters of £43,000 (2020 - £33,000). The charity did not incur a management charge from The Worshipful Company of Carpenters for this year (2020 - £30,000) and received donations from The Worshipful Company of Carpenters of £36,811 (2020 - £183,718).

There were no other related party transactions.

Amounts due to related parties are disclosed in note 12 to the accounts.