

Canolfan Hyfforddi Coleg y Bala

(Registered Charity Number 524277)

Annual Report

For the year ended 31 December 2020

Canolfan Hyfforddi Coleg y Bala
Annual report for the year ended
31 December 2020

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Canolfan Hyfforddi Coleg y Bala

Legal and administrative information

Constitution

Canolfan Hyfforddi Coleg y Bala ("the College"), is an unincorporated organisation and a registered charity (No 524277).

Trustees

The trustees of the College who were in office during the year and up to the date of signing the financial statements were:

Rev Meirion Morris
Mr Hywel Davies (Secretary)
Ms Luned Mair Jones
Rev Huw Powell-Davies (Chairman)
Ms Zoe Jones
Rev Bryn Williams
Rev Hywel Edwards

Rev Carwyn Arthur
Mrs Glenda Davies
Mrs Rebecca Dutfield
Rev Gerwyn Roberts
Rev Mike Ward
Mr Huw Dylan Jones
Ms Sioned Williams

There were no changes in trustees during the year.

Under the scheme governing the College, the body of managing trustees shall consist when complete of two ex officio trustees, seven nominated trustees and up to six co-opted trustees.

The ex officio trustees will be:

- the General Secretary of The Presbyterian Church of Wales ('the Church') during his/her appointment;
- the Centre Manager of Coleg Trefeca during his/her term of office.

The nominated managing trustees will be nominated one by each of the following from the Presbyterian Church of Wales, the General Assembly Board, the Resources Department and Properties Board, the Children and Youth Sub-committee, the Association in the South, the Association in the North and the Association in the East. A further trustee is nominated by the Director of Education for Gwynedd Council.

The co-opted trustees will be appointed by the managing trustees.

Principal address

Canolfan Hyfforddi Coleg y Bala
Swyddfa Ieuenctid
Ffordd Ffrydan
Y Bala
Gwynedd
LL23 7RY

Solicitors

Gamlins Solicitors LLP
74 Stryd Fawr
Bala
Gwynedd
LL23 7BH

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory
Auditors
One Kingsway
Cardiff
CF10 3PW

Bankers

Barclays Bank plc
85 High Street
Blackwood
NP2 1ZA

Canolfan Hyfforddi Coleg y Bala

Report of the trustees for the year ended 31 December 2020

The trustees are pleased to present their annual report and the audited financial statements for the year ended 31 December 2020.

The information with respect to trustees, officers and advisors set out on page 1 forms part of this report. The financial statements have been prepared on a going concern basis in compliance with the applicable accounting standards in the United Kingdom including the Statement of Recommended Practice (SORP): Accounting and Reporting by charities in preparing their Financial Statements in accordance with the Financial Reporting Standard (FRS) applicable in the UK and Republic of Ireland (FRS 102).

Status and objectives

The College is a youth and children's centre owned by The Presbyterian Church of Wales and is administered as a separately registered charity. The purpose of the College is to arrange courses that follow Biblical themes and involve group work such as drama, craft and outdoor pursuit activities. Every aspect of the work of the College is aimed at encouraging a personal faith in Jesus Christ.

There have been no changes to the College objectives since the last trustee's report and the trustees have had regard to Charity Commission guidance on public benefit in section 4 of the Charities Act 2011.

Connected charity

The College receives an annual grant from The Presbyterian Church of Wales to assist with salaries, running costs and capital expenditure. The College reports to the General Assembly of The Presbyterian Church of Wales through its Resources Department and Properties Board. The grant received in 2020 was £91,500 (2019: £98,048).

Developments, activities and achievements

The main activity of the College continues to be as a residential training centre for children and young people within The Presbyterian Church of Wales with courses continuing to attract people from across Wales and beyond. The key developments, activities and achievements of the College are as follows:

- The College has continued with its policy of employing gap year students in conjunction with the Candidates and Training Department of the Presbyterian Church of Wales;
- The College has produced a document for the Presbyterian Church of Wales Centres Review Panel including outlining future plans for Ministry and Mission and finance;
- Due to Covid-19 the college has been closed since March 2020 to comply with Welsh Government and Public Health Wales guidelines.

Canolfan Hyfforddi Coleg y Bala

Report of the trustees for the year ended 31 December 2020

Income generation

The primary sources of income continued the annual grant from The Presbyterian Church of Wales. The total income decreased from £180,081 in 2019 to £164,470 in 2020. The primary reason for the decrease was a decrease in course and residential fees, due to college being closed for much of the year, from £56,424 in 2019 to £9,172 in 2020. This decrease was offset by an increase in sundry income from £3,124 in 2019 to £31,061 in 2020 resulting from furlough reclaims of £29,172.

Results

During the year, the funds of the College have been used to further the College objectives. The net incoming funds for the year amounted to £18,016 (2019: outgoing £34,267). The increase in incoming resources is attributable to the decrease in income noted above being offset by a decrease in expenditure on charitable activities from £214,348 in 2019 to £146,454 in 2020. The results for the year are shown in the statement of financial activities on page 7.

Reserves policy

The funds available for use by the College are unrestricted. The trustees have determined that the unrestricted funds should be at a level to reflect a minimum of six month' worth of expenditure to ensure the future viability of the College in the event of unforeseen circumstances. At 31 December 2020, the level of unrestricted reserves excluding fixed assets equated to approximately ten months expenditure excluding depreciation. The Trustees are in dialogue with the Resources Department and Properties Board of the Presbyterian Church of Wales with regard to the on-going funding of the College and an additional £25,000 per annum has been allocated for 2021.

The trustees are satisfied that the financial position at the year-end is adequate to meet the on-going requirements of the College with the continued support of The Presbyterian Church of Wales.

Risk management

The trustees are undertaking a review of the current risk register, and updating it to reflect the major risks to which the College is exposed and its risk management and internal control procedures in order to ensure that systems are in place to mitigate these risks.

Covid-19

Due to the measures to combat the spread of Covid-19 in 2020 the college closed in March 2020 and will only reopen in accordance with guidelines issued by Public Health Wales. The College has sufficient reserves should there be any reduction in net income, to date that has been no significant loss with a number of staff on the furlough scheme. The trustees are in contact with the Trustees of the Presbyterian Church of Wales should any additional funding be required.

Governance of the College

During 2020 the trustees met as required via virtual meetings. On a day to day basis the College is administered by the staff at the College who liaise closely with the trustees when significant matters arise.

Public Benefit

In planning and reviewing its activities the College has considered the Charity Commission's guidance on public benefit and in particular the specific guidance on charities for the advancement of religion.

Canolfan Hyfforddi Coleg y Bala

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

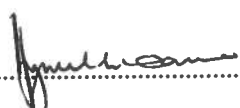
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. 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.

By order of the trustees

Trustee:.....

Date: 27 May 2021

Trustee: 

Date: 27 May 2021

Canolfan Hyfforddi Coleg y Bala

Independent auditors' report to the trustees of Canolfan Hyfforddi Coleg y Bala

Report on the audit of the financial statements

Opinion

In our opinion, Canolfan Hyfforddi Coleg y Bala's financial statements (the financial statements):

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of financial activities for the year then ended, and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Canolfan Hyfforddi Coleg y Bala

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employer related legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and Regulation 15 of The Charities (Accounts and Reports) Regulations 2008. We evaluated the trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent transactions designed to overstate the financial performance and position of the charity. Audit procedures performed included:

- Reviewing Board minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations; and
- Obtaining third party confirmations of all the charity's banking and financing arrangements.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Canolfan Hyfforddi Coleg y Bala

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

27 May 2021

Canolfan Hyfforddi Coleg y Bala

Statement of financial activities for the year ended 31 December 2020

	Note	2020 £	2019 £
Income from:			
Course and Residential Fees		9,172	56,424
Shop sales		761	2,347
Grants		14,000	4,000
Donations		17,976	16,138
Grant from Presbyterian Church of Wales		91,500	98,048
Sundry income		31,061	3,124
Total		164,470	180,081
Expenditure on:			
Courses	2	145,370	210,598
Costs of generating funds:			
Shop costs		1,084	3,750
Total		146,454	214,348
Net income/ (expenditure)		18,016	(34,267)
Reconciliation of funds:			
Total funds brought forward		193,135	227,402
Total funds carried forward	5	211,151	193,135

All recognised gains and losses have been included in the Statement of Financial Activities and the amounts included are derived from the continuing operations of the College.

There is no material difference between the net movement of funds stated above and their historical cost equivalents.

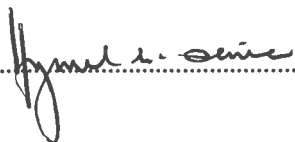
The notes on pages to 9 to 12 form part of these financial statements

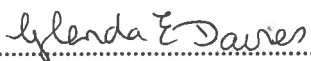
Canolfan Hyfforddi Coleg y Bala

Balance sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	55,826	85,315
Current assets			
Stock		1,723	1,978
Debtors and Prepayments		287	1,740
Short term deposits		130,000	130,000
Cash at bank and in hand		45,571	23,556
		<hr/>	<hr/>
		177,581	157,274
		<hr/>	<hr/>
Creditors: amounts falling due within one year			
Owed to The Presbyterian Church of Wales		22,150	48,508
Sundry creditors and accruals		106	946
		<hr/>	<hr/>
		22,256	49,454
		<hr/>	<hr/>
Net current assets		155,325	107,820
		<hr/>	<hr/>
Total assets less current liabilities		211,151	193,135
		<hr/>	<hr/>
Total funds	5	211,151	193,135
		<hr/>	<hr/>

The financial statements on pages 7 to 12 were approved by the Board of Trustees on 24 May 2021 and signed on its behalf by:

..........Trustee

..........Trustee

Canolfan Hyfforddi Coleg y Bala

Notes to the financial statements for the year ended 31 December 2020

1 Principal accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the applicable accounting standards in the United Kingdom, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2015 (SORP 2015), FRS 102 and in accordance with the Charities Act 2011, using consistently applied accounting policies.

Income policy

Income from donations and legacies is recognised on a receivable basis when there is sufficient certainty of receipt and of the value of the incoming resource can be measured with sufficient reliability. Grants receivable from the Presbyterian Church of Wales are included as income in the year of receipt.

Recognition of expenditure

Expenditure is accounted for on an accruals basis.

Fixed assets

The cost of tangible fixed assets is the purchase cost, together with any incidental expenses of acquisition. Assets costing less than £3,000 are not capitalised. Fixed assets are subsequently recognised at net book value in accordance with the depreciation policy stated below.

Depreciation is charged by the straight line method to write down the cost of the assets to their residual value over their estimated useful life at the following rates per annum:

Property improvements	5%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%

The economic useful lives and residual value of fixed assets are reviewed at the end of each accounting period. There has been no change in the estimated useful economic lives during the year.

Stock

Stock is stated at the lower of cost and net realisable value.

Fund accounting

All funds held by the College are unrestricted and can be used in accordance with the charitable objectives at the discretion of the trustees.

Cash flow statement

The College has taken advantage of the exemption under FRS 102, paragraph 1.12(b), from preparing a statement of cash flows on the basis that it is a qualifying entity and its ultimate parent, Presbyterian Church of Wales, includes the College's cash flows in its own consolidated financial statements.

These financial statements may be obtained from the Charity secretary at Tabernacle Church, 81 Merthyr Road, Witchurch, Cardiff, CF14 1DD.

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Notes to the financial statements for the year ended 31 December 2020

1 Principal accounting policies (continued)

Retirement benefits

FRS 102 requires the assets of a defined benefit pension scheme to be measured at market value at each balance sheet date and the liabilities to be measured using a specified actuarial valuation method and to be discounted using a corporate bond rate. It also requires the resulting pension scheme surplus or deficit to be recognised immediately on the College's balance sheet and any resulting actuarial gains and losses to be recognised immediately in the College's statement of financial activities. See note 6 for further disclosure on the College's pension arrangements.

Taxation

As the College is a registered charity it is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried out in the furtherance of the College's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

2 Expenditure

	Course staff costs £	Residential expenses £	Support costs £	Other Costs £	2020 £	2019 £
Courses	31,285	11,386	71,465	31,234	145,370	210,598
Shop costs	-	-	-	1,084	1,084	3,750
Total	31,285	11,386	71,465	32,318	146,454	214,348

Audit fees are paid by the Presbyterian Church of Wales.

Support costs

	2020 £	2019 £
Finance and administration staff costs	20,857	21,227
Office costs	21,119	31,565
Depreciation	29,489	29,489
	71,465	82,281

Basis of allocation

Support costs are allocated on the basis of the estimated percentage allocation of staff time spent on the charitable activity of the College.

Canolfan Hyfforddi Coleg y Bala

Notes to the financial statements for the year ended 31 December 2020

3 Staff costs

	2020 £	2019 £
Wages and salaries	49,401	50,384
Social security costs	2,741	2,684
	<u>52,142</u>	<u>53,068</u>

There were no employees with emoluments above £60,000 (2019: nil)

	2020 Number	2019 Number
The average number of employees during the year was as follows.	<u>4</u>	<u>5</u>
The number of employees who received emoluments in the following ranges was:		
£0 to £10,000	2 (2*)	3 (3*)
£10,001 to £20,000	1	1
£20,001 to £30,000	1	1
Total	4 (2*)	5 (3*)

**part time noted in brackets*

No trustee received any remuneration for the services they provided as Trustee in either year.

No (2019: 5) trustees had expenses paid or were reimbursed for expenses in the year. These costs were met by the Presbyterian Church of Wales and were for travel and subsistence and totaled £nil (2019: £301).

4 Tangible assets

	Motor vehicles £	Property Improvements £	Furniture, Fittings and Equipment £	Total £
Cost				
At 1 January 2020	12,590	556,640	84,383	653,613
At 31 December 2020	<u>12,590</u>	<u>556,640</u>	<u>84,383</u>	<u>653,613</u>
Accumulated Depreciation				
At 1 January 2020	12,590	474,826	80,882	568,298
Charge for year	-	27,832	1,657	29,489
At 31 December 2020	<u>12,590</u>	<u>502,658</u>	<u>82,539</u>	<u>597,787</u>
Net book value at 31 December 2020	-	53,982	1,844	55,826
At 31 December 2019	-	81,814	3,501	85,315

Canolfan Hyfforddi Coleg y Bala

Notes to the financial statements for the year ended 31 December 2020

5 Total funds

	1 January 2020 £	Total incoming resources £	Total resources expended £	Balance 31 December 2020 £
Unrestricted	<u>193,135</u>	164,470	(146,454)	<u>211,151</u>

6 Pension costs

All employees at the College are eligible to become members of The Presbyterian Church of Wales final salary pension scheme.

The scheme provides benefits based on final pensionable pay, contributions being charged to the statement of financial activities so as to spread the cost of pensions over employees' working lives with the College/Presbyterian Church of Wales. Full details of the assumptions and valuation of the scheme are shown in the financial statements of The Presbyterian Church of Wales.

All employer contributions are paid by the Presbyterian Church of Wales. Contributions to the scheme by the College for the year amounted to £nil (2019: £nil).

7 Related party transactions

The College is the youth and children's training centre of the Presbyterian Church of Wales, Tabernacle Chapel, 81 Merthyr Road, Whitchurch, Cardiff, CF14 1DD. The trustees have considered the disclosure requirements of the Statement of Recommended Practice for Charities and consider that the transactions requiring disclosure are as follows:

- (i) the Presbyterian Church of Wales has awarded a grant of £91,500 (2019: £98,048) for use on both revenue and capital expenditure for the year, £17,500 (2019: £22,500) of this was provided from the Candidates and Training Department of the Presbyterian Church of Wales; and
- (ii) the College has a creditor balance of £22,150 (2019: £48,508) at the year-end in relation to staff costs which the Presbyterian Church of Wales administers on its behalf.
- (iii) Five of the trustees' (2019: five) of the College have outstanding mortgages and car loans from the Presbyterian Church of Wales of £82,880 (2019: £95,226) at year end. Total interest of £2,457 (2019: £2,593) was payable to the Church in relation to these balances during the year.

The maximum car loan available is £6,500 repayable over a maximum period of 5 years, at an interest rate of 3%. The car loans are unsecured loans. The maximum mortgage available is £175,000 repayable over a maximum period of 30 years, at an interest rate of 3%. There are certain exceptions to these terms within the mortgage rules set by the Church and each case will be considered on an individual basis. The mortgage is secured by a first charge against the property.