

Charity Registration Number: 525744

CHRIST COLLEGE BRECON

**REPORT OF THE GOVERNORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

Azets Audit Services
Chartered Accountants & Statutory Auditors
Ty Derw
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CHRIST COLLEGE BRECON

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**CHRIST COLLEGE BRECON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020**

The trustees present their report and financial statements of the College for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document 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) (effective 1 January 2019)".

OBJECTS AND ACTIVITIES

Charitable objects

The provision of a Christian and liberal education to boys and girls of good character is the principal objective of Christ College Brecon.

Main activities

In fulfilling its charitable objects, Christ College's main activities are:

- The provision of education to children aged between 7 and 18. This includes sitting external exams in years 11 and 13, predominantly GCSE and A level
- The provision of boarding, and of support and welfare facilities for all pupils
- The provision of wider educational and extra-curricular activities for the broader development of pupils
- The provision of excellent facilities to enable the above
- The extension of facilities to provide educational benefits to non-pupils, particularly children aged 7-18 years old living in Brecon and the surrounding area.

The senior school contains boys and girls aged 13 to 18; Alway House is for boys and girls aged 11 and 12; St Nicholas House is for pupils under 11. Pupil numbers totalled 384 during the course of the year, of whom 164 were boarders, 44 flexi-boarders and 176 day pupils. This compares to 402 pupils in 2018-19. Of the total, St Nicholas House educated 30 pupils during the year, compared to 34 in 2018-19.

The College also allows its facilities to be used by local groups throughout the year and for summer lettings to external bodies.

Grant making policy and public benefit

Christ College Brecon, founded originally with a gift of 60 shillings from Henry VIII to educate 20 poor scholars of Brecon, continues to make significant grants of scholarships, bursaries and prizes and other awards to pupils. Christ College's policy is to make the award of scholarships on the basis of an individual's educational or sporting potential, and bursaries on the basis of financial need. It is the College's policy to favour means-tested bursaries over scholarships. This contributes to the school's aims and objectives by ensuring that gifted and talented pupils are encouraged to join Christ College and is intended to meet the College's charitable objects by providing assistance to as broad a group of pupils as possible. Remissions of fees are also given to those with more than one child at the College and those from various professions such as the clergy.

During the year Bursaries, Scholarships and Remissions amounting to £1,693,501 (2019: £1,315,223) were given. In addition, £3,678 (2019: £3,793) was awarded from restricted funds in accordance to the conditions imposed by the original donor.

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These can be summarised as below:

	Value	Number of Awards
Academic scholarships	£386,082	105
Bursaries	£392,171	66
Remissions	£536,970	115

As some children received more than one award, the total number of pupils benefiting from some form of assistance this year was 185 (2019: 212).

Due to the COVID-19 pandemic, there was not much demand from local schools and organisations to use the school's facilities during the national lockdown. Prior to March 2020, the College continued to invite many local schools to use its resources without charge for events, such as its cross country contest. In addition, Christ College helped local schools by providing them with the College's minibus and driver for their school trips which has alleviated expensive transport costs. Beneficiaries of these services have been, amongst others, Cradoc Primary, Llanfaes Primary and Brecon High School.

Prior to the lockdown, service to the wider community was reflected in the provision of sports facilities to, amongst others, Brecon Town Juniors, Hockey Wales, South Wales Hockey, Brecon Ladies Netball and Cricket Wales. Christ College also provided facilities for the Disability Sports Club, Wales Karate, the Brecknock Society, the Royal Society of Chemists, the Royal Institute of Physics, Swansea AFC, the Associated Board of Royal School of Music (ABRSM), the Duke of Edinburgh Awards, the Church Monuments Society, Wales RFU (charity and youth tournament), community choirs and various local music groups. At various times during the year members of the public were able to visit the school's historic buildings.

The Governors are satisfied that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Their compliance with this duty is a matter that they keep under regular review.

Aims and intended impact

The College seeks to maximise the spiritual, intellectual, aesthetic, physical, cultural and moral development of each pupil and so prepare him or her for the opportunities, responsibilities and achievements of adult life.

The College Chapel and its Chaplain provide a stimulus and focus for Christian and moral teaching according to the doctrine of the Church in Wales but respecting other religious traditions.

The broad academic curriculum sets high expectations of achievement.

A wide range of extra-curricular facilities, opportunities and experiences is provided. As well as building self-confidence and fostering life-long leisure interests, these aim to promote an understanding of the principles and value of leadership, the benefits of playing and working as a team, the importance of self-discipline and effective personal organisation and a willingness to contribute to the community as a responsible citizen. The fullness of the weekly routine for boarders and day pupils alike is crucial to the achievement of these aspirations.

Criteria for success

The achievement of the College's financial aims will ensure that resources are available to underpin its charitable activities, particularly the provision of bursaries. A supported place at Christ College is only of value if the College meets its educational aims.

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The measures of success are:

- The development of pupils as responsible, happy and well-rounded citizens
- The achievement of GCSE and A level results above the national average for the United Kingdom
- Successfully competing with other schools of similar or larger size in sporting activities
- The provision of a broad range of extracurricular activities
- The provision of bursaries to a broad range of pupils
- Financial viability to allow adequate funding of these activities and to finance self-funded bursaries.

OBJECTIVES FOR THIS YEAR

The previous year's objectives were reviewed at the end of the year and new ones established.

These are:

Academic Focus:

- Continue to improve standards at GCSE and A Level
- Focus on Key Stage 3 (pupils aged 11-13 years)
- To introduce 3 BTEC courses aimed at broadening the academic offering for 6th form pupils.
- To introduce iSAMs management system in September 2020.

Overseas Development:

- Provide ongoing support to King Henry VIII School in Malaysia and develop further overseas opportunities

Futures:

- Further improve Careers advice to Year 11 and Sixth Form pupils

Day and Boarding:

- Create a co-educational day house situated in the heart of the school

ACHIEVEMENTS AND PERFORMANCE

45% */A at A level and 68% */B – continued sustained performance over 3 last three years with 23% of candidates achieving 3 */A grades. At GCSE 30% of all grades were 9/8 equivalent to A* and A ** and 51% were 7-9 (A/A*). It is difficult to reference individual subjects given the exceptional process - a consequence of the COVID-19 pandemic - whereby these grades were determined. One candidate secured a place at Wadham College, Oxford and 75% were successful in obtaining entry to their first choice of university. The notable aspect was the sheer variety of courses and institutions that our pupils are going on to. For 2021 entry we have a very talented year group with 11 Oxbridge applications and 7 aspirant medics.

The extracurricular life of the College was both busy and successful until lockdown in March 2020. A number of activities were arranged remotely to keep pupils mentally and physically well, particularly in sport. There were plenty of competitive sports fixture during the Autumn term and beginning of the Lent term but, due to COVID-19, no competitive fixtures were played from March onwards, therefore, the chances to play representative sport were limited this year.

Despite the sporting calendar being cut short there was still progress to celebrate from the Michaelmas and Lent term. A full programme of expert coaching and fixtures took place in rugby, hockey, netball, basketball and football with an increase in the number of competitive fixtures for both football and basketball. Pupils in rugby and hockey continued with their development and participation remains healthy across both sports. Netball remains popular in the Lent term and pupils benefited from a focused netball programme aimed at improving both technical and tactical skills. Unfortunately, due to COVID-19, the second part of Lent and the summer programme were cancelled.

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The Middle and Senior school presented the production of *Scrooge –The Musical* in December 2019 where pupils had the opportunity to sing with a professional band. Year 7 and 8 pupils started rehearsals in the Lent term 2020 on their production of *Aladdin* which unfortunately got cancelled due to COVID-19. Ballet and Contemporary dance lessons started at CCB in 2020 which proved to be popular. A House Speech and Drama Festival took place in March 2020, with the Head of Voice at the Royal Welsh College of Music and Drama adjudicating. Over a quarter of all pupils took LAMDA lessons this year. Popular courses proved to be Acting, Devising Drama, Public Speaking, Speaking Verse and Prose and Musical Theatre.

As well as the usual round of house music competitions and the Music Award Holder's concert in the first half of the Michaelmas term, a highlight was the St Cecilia Concert, held at St Mary's Church in Brecon, where we celebrated the work of our ensembles, both choral and instrumental. As in previous years, ABRSM examinations were held in the Michaelmas term, however, those scheduled for the summer were postponed and/or refunded due to COVID-19. The Chapel Choir continued to enhance and lead weekly worship as well as important events such as Remembrance, and a stunning Carol Service in December. The Music department also supported the Drama department in the performance of *Scrooge*. In the Lent term, ensembles worked towards a performance planned for May, which was due to feature former Claire Jones (former Harpist to HRH The Prince of Wales), however, this event had to be cancelled.

The 2019/20 academic year started with two Duke of Edinburgh expeditions. The Gold assessed expedition, which could not be fitted into the Summer Term calendar of 2018/19, took place in early September. 15 pupils took to the Black Mountains and passed with aplomb. Shortly before October half term, a Bronze expedition for Year 11 – rearranged owing to timetabling and staffing difficulties – took place in the Beacons area with all remaining participants from this year group subsequently able to complete their award having the option to move on to Gold this year. The Award Scheme was again popular with 35 pupils, over three-quarters of the year group, signing up for the Bronze Award and 25 enrolling on the Gold Award scheme. With all preparation going according to plan, the global pandemic inevitably took its toll on progress made through the various sections of the award. It became impossible for expeditions to go ahead and while this has led to a small percentage of pupils choosing to withdraw from the award, a combination of flexibilities introduced by DofE and some contingency planning for expeditions at Christ College has meant that all participants should be able to complete their awards.

The Upper Sixth history trip to Auschwitz and Krakow took place in December 2019. 45 pupils of all ages went on the school ski trip to Austria in December. During November 4 year 10 and 4 Lower Sixth pupils went to our sister school in Malaysia for 10 days. The Lent term saw four Lower Sixth girls spend a fortnight at Meikei High School near Tokyo as part of the Japanese exchange programme (the Japanese pupils stayed with us in November). All trips after this Japanese exchange in February were cancelled due to COVID-19.

The Society of Friends of Christ College continued to raise funds for the school although what was possible was limited due to the social distancing guidelines from March 2020 onwards.

Former pupils are members of the Old Breconian Association. The Association continues to have a warm and fruitful relationship with the College.

Operational performance of Christ College Holiday Activities Limited

The COVID-19 pandemic had an extremely negative impact on Christ College Holiday Activities income generation. Most significantly, all planned summer lettings, which make the greatest contribution to CCHA income, were required to be cancelled despite available occupancy of 9,604 bed spaces. The only income generated for the year was during the Michaelmas and Lent terms from weekly group hire and events totalling £11,974. The College shop, together with the tuck shop, continued to make a small profit during the limited time of its operation before school closure in March. The company made a loss of £28,825 in 2019/20.

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Operational performance of 1541 Limited

1541 Ltd was established primarily to facilitate cooperation with a partner school in Malaysia. During the course of 2018-19 the sister school in Cyberjaya opened its doors for business amidst healthy interest from local Malaysian and overseas pupils, particularly from China.

During the reporting period BSSB has had a difficult year as a result of COVID-19 and the resulting drop in pupil numbers at KH8. This has affected their ability to repay 1541. In March 2020 BSSB agreed a repayment plan with 1541 to settle a £1.8m debt. The first two payments each of £150k are due by the end of December 2020. BSSB were contacted in October 2020 to follow up on this debt. At the 1541 AGM in October 2020, 1541 reported a loss of £30,646 and provided for a bad debt of £150k which relates to the annual 12 year aggregated payments in the £1.8m overall debt. 1541 are working very closely with BSSB to manage this situation.

Fundraising performance

Income for 2020 amounted to £140,102 (2019: £162,732). The College continued to benefit enormously from the support of the Society of Friends of Christ College Brecon and the Old Breconian Association. This support is invaluable and the College is very grateful to both groups.

Fundraising in the period has been severely hampered by the cancelling of a number of OB and other fundraising events due to COVID-19 and also the restrictions placed on meeting potential donors face to face. Fundraising income was £140,102 with sums raised by the Friends of £30,184. A legacy of £66,910 was received from the estate of the late Lt Cdr Downie. A survey of OBs conducted in May during lockdown was very useful in gauging support for CCB and this raised £13k.

Investment performance against objectives

During 2019/20, the value of the funds held in investments decreased from £2,918,519 to £2,843,456 due to the sharp fall in the stock market in March 2020 precipitated by the onset of the COVID-19 pandemic. This fall was partially offset by some substantial legacies and donations. It is expected that investment performance will remain volatile until global pandemic management brings the infection rate of this disease under control. The investment fund attracted realised losses and unrealised losses of £95,180 and £43,330 respectively.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Group Results:

	2020	2019	2018	2017	2016
	£'000	£'000	£'000	£'000	£'000
Income	7,593	8,419	8,013	7,827	7,425
Expenditure (excluding depreciation)	6,228	7,014	6,507	6,568	6,536

In the year, the group's net income over expenditure before investments gains amounted to £823,941 (2019: £862,256) and a net increase in funds of £685,431 (2019: £812,896). Net assets increased to £14,024,094 (2019: £13,338,663). Depreciation of £541,275 (2019: £542,719) has been charged in respect of fixed assets.

This is in line with the group's depreciation policy. These assets were also maintained to a high standard with repairs and maintenance costs also being expensed in the Statement of Financial Activities.

Pupil numbers fell compared to last year although this predated the COVID-19 pandemic. The onset of the pandemic in March 2020 compounded a challenging year due to the decision to refund part of the school fees due to the imposition of a national lockdown in the Summer term. The finances of the school were further tested by the corresponding temporary loss of ancillary income from its subsidiary activities such as summer lets. Despite these losses the school's finances remain robust and were augmented by some

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significant donations and delayed income flows from the previous year's trading. Along with all businesses it is impossible at this stage to predict when the pandemic will cease to be a factor and hence when or if our operations will return to former levels. Notwithstanding this uncertainty, there is nothing in the current levels of business to suggest that the school is not a going concern. The uncertain operating environment does mean that ongoing financial discipline as successfully exercised to date will remain an imperative. During the year the Governors supported expenditure on capital improvements to the College totalling £193,793 (2019: £272,534).

Christ College Holiday Activities Limited contributed £nil (2019: £97,434) and 1541 Limited contributed £nil (2019: £199,187) to the operations of the College. Details of the subsidiaries performance are included in note 15 to the financial statements. As already mentioned both subsidiaries operations were adversely affected by the COVID-19 pandemic and the expectation is that both will be able to make a contribution to the school's running costs once the crisis has passed.

Apart from the COVID-19 pandemic there are no events which have significantly impacted upon the finances of Christ College.

Reserves policy

Total unrestricted, restricted and endowment funds of the group amounted to £14,024,094 (2019: £13,338,663) at the year-end. Governors have resolved to hold higher levels of cash or near cash than normal due to the COVID-19 pandemic.

The Governors require sufficient reserves to ensure that the College can pay its short term creditors and meet the operating costs of the business for at least two months. Over the last few years the Governors have built up its reserves to underpin development of the school's facilities in lieu of further borrowing.

At 31 August 2020, the group has "free reserves" of £1,068,842 (2019: £11,633) and the college has "Free reserves" of £1,125,742 (2019: £9,060). The significant improvement is due to early debt repayment of £1m and ongoing additions to funds. Free reserves are defined as unrestricted investments plus unrestricted net current assets less unrestricted long-term liabilities and designated funds, as shown in note 25. The Board of Governors feel due to the long-term loan liabilities being secured over the College's land, buildings and investment assets, as shown in note 20, does not fairly reflect the group's actual free reserves. When the loan liability is excluded the group's free reserves are £3,152,890 (2019: £2,267,947) and the college's free reserves are £3,209,790 (2019: £2,265,374).

The reserves policy focuses on the building of unrestricted reserves and having achieved a positive free reserves position to continue to build them up. The longer-term ambition to secure a positive 'free reserves' position was achieved this year and Governors are resolved to maintaining and growing them further.

The group's unrestricted net current assets, as shown in note 25, amount to £1,837,954 (2019: £821,730). The Governors consider this level of reserves to be reasonable given that fees for the new academic year are received within a few days of the financial year end. Reserves are considered to be available and adequate to fulfil the obligations of the College.

Investment policy

The Governors intend that the real value of the investment assets be maintained or enhanced over the long term by investment in a portfolio consisting of equities, fixed income stocks, property and cash. A reasonable level of income is required and a medium level of risk accepted. In order to meet these objectives, the Governors employ Brewin Dolphin Securities Limited as their agent to give advice on a diversified portfolio of suitable investments.

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Investment powers

The Governors have the powers to invest in any area in accordance with the 1960 Scheme Clause 60.

PLANS FOR FUTURE PERIODS

The School continues to look to develop its academic offering to best meet the future needs of its pupils. It is also looking to become a leading school in Character education including the introduction of a 1 week 'Beacons course' designed to develop confidence, resilience and self-belief through the completion of a challenging week of activities in the Brecon Beacons National Park, combined with a positive education programme. Coupled with its Curriculum for Life programme, Christ College is establishing itself as a leading UK provider of a cohesive, well rounded education for all of its pupils.

Governors have resolved not to borrow further funds. However, significant funds, internally generated, have been set aside to complete an ambitious estates improvement programme. Christ College's intention to remain a centre for excellence for hockey is exemplified through the commitment to fully replace its all-weather facility in 2021. An ongoing rolling programme to refurbish a boarding house each summer has now been established and, to facilitate that, investment in facilities to replace lost boarding-house capacity to be used for the highly successful commercial lets will take place in 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Christ College Brecon is a registered charity. It was originally founded by King Henry VIII by Royal Charter dated 19 January 1541 although the current-day school was established by an Act of Parliament in 1855 and was subsequently regulated by a Scheme made under the Endowed Schools Acts on 28 June 1880, as altered and amended by Schemes of 23 November 1906 and 23 August 1921.

Christ College Brecon is now regulated by a Scheme made by the Minister of Education under the Charitable Trusts Acts 1853-1925, sealed on 26 September 1960, and varied by Schemes of the Charity Commissioners of the 27 September 1977, the 7 December 1984, the 7 March 1995, the 27 September 1996 and the 21 September 2015.

The College's legal status is as an unincorporated association as defined by the Charities Act 2011.

Governing bodies

Christ College Brecon is managed by a Board of Governors being as such a body corporate, the details of which are explained on page 9.

Recruitment and training of Governors

The Board of Governors shall consist, at maximum, of 25 competent persons being:

- 3 Ex-Officio Governors;
- 2 Nominative Governors; and
- 20 Co-optative Governors.

The Ex-Officio Governors shall be:

- The Lord Bishop of Swansea and Brecon;
- The Lord Lieutenant of the County of Powys; and
- The Archdeacon of Brecon.

The Nominative Governors shall be appointed as follows:

- One by the Old Breconian Association; and
- One by the Society of Friends of Christ College Brecon.

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The Co-optative Governors are entitled to hold office for five years from the date of appointment and may not be reappointed more than once without a break of at least one year.

Methods used to recruit and appoint new Governors

- Ex-officio Governors are appointed by virtue of their office.
- Nominative Governors are appointed by the constituent organisations.
- Recommendations for Co-optative Governors are made to the Governance Committee who consider the qualifications, expertise and skills of the proposed Governor based upon a skills matrix. Co-optative Governors are formally appointed by the full Board of Governors upon recommendation of the Governance Committee.

Newly appointed Governors are inducted by the Chair and Clerk into the workings of the Board, its policies and aims. Seminars are arranged both through Association of Governing Bodies of Independent Schools and independently.

Charity Governance Code of Practice

The Governors of Christ College have resolved to comply with the Charity Commission's code of practice for good governance. There are seven principles which are considered to be necessary to qualify as a well governed charity. The Governors have assessed the school against each of these:

1. Organisational purpose
2. Leadership
3. Integrity
4. Decision making, risk and control
5. Board effectiveness
6. Diversity
7. Openness and accountability

Following this assessment, the Governors concluded that the school was broadly compliant with the principles. The ethos of the code of practice is to promote continual improvement and to that end the Governing Body highlighted areas for further improvement.

Organisational management

Under the authority of the 1960 Scheme, the Head has under his control most aspects of the internal organisation, management and discipline of the College. The Head liaises closely with the Governors, and has a senior management team to whom he delegates day to day functions. The latter consisted during the reporting year of a Bursar, Deputy Head (Academic) and Deputy Head (Pastoral).

Management of finance and estates and strategic planning were very largely delegated to the Finance and Infrastructure Committee of the Board of Governors. The Governance Committee is a subcommittee of this committee. There were two further Board sub-committees: Strategy, Marketing & Development Committee and Education & Community Committee, both of which had Senior Management attendance. In addition, a Governor sat on the Health and Safety Committee; a Governor had designated responsibility for safeguarding and child protection. There were also panels of Governors to consider appeals, discipline, grievances and complaints.

Group structure and relationships

The College has two wholly owned non-charitable subsidiaries. Christ College Holiday Activities Limited offers courses and holiday lettings, and operates a school shop, to generate additional income. 1541 Limited is a company set up to collaborate in the operation in schools overseas for commercial gain.

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Governing Body Committees

From January 2020 the governing body restructured its committee system to align with the School's strategic objectives. The new committees created were:

- Education and Community;
- Finance and Infrastructure;
- Strategy, Marketing and Development;
- Governance

All governors would be required to serve on at least one committee.

Risk management

The Governors regularly examine the principal areas of the College's operations and consider the major risks faced in each of these areas. These include buildings, the security of staff, pupils and visitors, significant loss of income and financial mismanagement, the reputation of the College and possible adverse effects of external factors such as changes in government policy. In their opinion, the College has established resources and review systems which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day-to-day operations.

Key risks and mitigating actions identified by the Governors were:

1. Failure to respond to the changing market.

This was managed through the development of strategic financial plans, review and control of costs, pro-active management, regular market research, annual marketing strategy review national networks and staff training.

2. Failure to respond to political hostility to independent schools

This was managed through strategic planning to respond to increased duties imposed on independent schools and to secure retention of the school's charitable status and more significantly steps that were proposed by a potential government to restrict and inhibit the independent school sector.

3. Failure to achieve planned recruitment totals

This was managed through the school's marketing and admissions department, strategic planning and competitive fee pricing.

4. Failure to manage and monitor the financial viability of the College

This was managed through the Finance and Infrastructure Committee who receive regular reports. During the initial stages of the COVID-19 pandemic (March 2020) an ad hoc Governor and executive Sustainability Committee was set up to respond to the emerging crisis.

Arrangements for pay and remuneration of key management personnel

A sub-committee delegated by the board of governors sets key management personnel pay. The sub-committee reviews pay each year and will consider remuneration against current market rates.

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity name	Christ College Brecon
Registration number	525744
Principal address	Christ College Brecon Powys LD3 8AF

Governors

Christ College Brecon is managed by a Board of Governors being as such a body corporate.

The Governors who served during the year were as follows:-

The Most Reverend John D E Davies (Lord Bishop of Swansea and Brecon & Archbishop of Wales)
The Venerable Alan Jevons (Archdeacon of Brecon) * 4 5
Mrs Julia Cherrett * 2
Professor Michael Davies 5 (Deputy Chair)
Ms Kate Dobbs*
Mr David James * 7
Judge Milwyn Jarman QC 2
Mrs Nicola Maughan* 1
Mr Charles Minogue 5
Mrs Helen Molyneux *
Sir E Paul Silk KCB * 1 3 5 6 (Chair)
Mrs Megan Watkins 1
Mr Adrian J Whittall * 3 6 7
Ms Susie Wildee 1
Mrs Lesley Perry – appointed 7th December 2019
Ms Jane James – resigned 7th December 2019

* Denotes member of the General Purposes Committee

1 Denotes member of the Governance Committee

2 Denotes member of the Health and Safety Committee

3 Denotes member of Investment Committee

4 Denotes designated Governor for Child Protection

5 Denotes member of Education Committee

6 Denotes member of Salary Committee

7 Denotes member of Concessions Committee

8 Denotes Governor with special responsibility for strategic planning

Key Management Personnel

Mr G D Pearson – Head

Mr J D Bush – Deputy Head - Academic

Mr S Hill – Deputy Head Pastoral

Mr M N Allen – Bursar and Clerk to Governors

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Bankers

Lloyds Bank plc
Black Horse House
Phoenix Way
Swansea Enterprise Park
Swansea
SA7 9EQ

Solicitors

Red Kite incorporating Charles Crookes & Co
8A High Street
Brecon
Powys
LD3 7AL

Insurance brokers

Creative Risk Solutions Ltd
Pod 1
Capital Shopping Park
Leckwith Road
Cardiff
CF11 8EG

Auditors

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Investment advisors

Brewin Dolphin Securities Limited
2nd Floor
5 Callaghan Square
Cardiff
CF10 5B

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RESPONSIBILITIES OF THE GOVERNORS

The trustees are responsible for preparing the Governors' Report and the financial statements in accordance with 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).

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the income and expenditure, 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The governors are responsible for maintaining proper accounting records which 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. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the governors are aware:

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

The governors are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

Michael CR Davies

**Professor Michael Davies
(Governor)**

Date: 5th December 2020

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF CHRIST COLLEGE BRECON
FOR THE YEAR ENDED 31 AUGUST 2020**

Opinion

We have audited the financial statements of Christ College Brecon for the year ended 31 August 2020 which comprise the Group and the Parent Charity Statement of Financial Activities, the Group and the Parent Charity Balance Sheet, the Group Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the group's and the parent charity's governors, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the group's and the parent charity's governors 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 group's and the parent charity's governors as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF CHRIST COLLEGE BRECON
FOR THE YEAR ENDED 31 AUGUST 2020**

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Annual Report.

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:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the governors' responsibilities statement set out on page 11, the governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 governors are responsible for assessing the group's and the parent 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 governors either intend to liquidate the group and the parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF CHRIST COLLEGE BRECON
FOR THE YEAR ENDED 31 AUGUST 2020**

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.

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 auditor's report.



Azets Audit Services

Chartered Accountants and Statutory Auditors

Ty Derw

Lime Tree Court

Cardiff Gate Business Park

Cardiff

CF23 8AB

Date: 15-12-2020

Azets Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CHRIST COLLEGE BRECON
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Income and endowments from:						
Donations and legacies	3	9,204	100,714	30,184	140,102	162,732
Charitable activities	4	7,100,039	-	-	7,100,039	7,533,705
Other trading activities	5	85,847	-	-	85,847	112,534
Christ College Holiday Activities Limited	15	21,148	-	-	21,148	244,073
1541 Limited	15	163,043	-	-	163,043	266,003
Investments	6	38,365	18,816	14,088	71,269	89,179
Other income	7	11,286	-	-	11,286	10,756
Total income and endowments		7,428,932	119,530	44,272	7,592,734	8,418,982
Expenditure on:						
Charitable activities	8	6,493,491	106,223	14,088	6,613,802	7,436,553
Christ College Holiday Activities Limited	15	3,762	-	-	3,762	76,779
1541 Limited	15	151,229	-	-	151,229	43,394
Total expenditure		6,648,482	106,223	14,088	6,768,793	7,556,726
<i>Net (losses)/gains on investments</i>	14	<i>(70,723)</i>	<i>(41,464)</i>	<i>(26,323)</i>	<i>(138,510)</i>	<i>(49,360)</i>
Net movement in funds		709,727	(28,157)	3,861	685,431	812,896
Reconciliation of Funds						
Total funds brought forward	22, 23,24	11,785,235	917,343	636,085	13,338,663	12,525,767
Total funds carried forward	25	12,494,962	889,186	639,946	14,024,094	13,338,663

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources expended derive from continuing activities

The notes on pages 21 to 55 form part of the financial statements

CHRIST COLLEGE BRECON
STATEMENT OF FINANCIAL ACTIVITIES - COLLEGE
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Income and endowments from:						
Donations and legacies	3	9,204	100,714	30,184	140,102	162,732
Charitable activities	4	7,100,039	-	-	7,100,039	7,533,705
Other trading activities	5	97,847	-	-	97,847	124,534
Investments	6	38,365	18,816	14,088	71,269	385,800
Other income	7	11,286	-	-	11,286	10,756
Total income and endowments		7,256,741	119,530	44,272	7,420,543	8,217,527
Expenditure on:						
Charitable activities	8	6,416,818	106,223	14,088	6,537,129	7,355,271
Total expenditure		6,416,818	106,223	14,088	6,537,129	7,355,271
<i>Net (losses)/gains on investments</i>	14	<i>(70,723)</i>	<i>(41,464)</i>	<i>(26,323)</i>	<i>(138,510)</i>	<i>(49,360)</i>
Net movement in funds		769,200	(28,157)	3,861	744,904	812,896
Reconciliation of Funds						
Total funds brought forward	22, 23, 24	11,782,662	917,343	636,085	13,336,090	12,523,194
Total funds carried forward	25	12,551,862	889,186	639,946	14,080,994	13,336,090

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources expended derive from continuing activities

The notes on pages 21 to 55 form part of the financial statements

**CHRIST COLLEGE BRECON
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020**

		2020		2019	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	13		11,426,120		11,773,602
Investments	14		<u>2,843,455</u>		<u>2,918,518</u>
			14,269,575		14,692,120
Current assets:					
Stocks	16	13,666		18,684	
Debtors	17	1,379,035		1,547,625	
Cash at bank and in hand	18	<u>3,407,418</u>		<u>2,520,324</u>	
		4,800,119		4,086,633	
Liabilities:					
Creditors: Amounts falling due within one year	19	<u>(2,961,552)</u>		<u>(3,183,776)</u>	
Net current assets			1,838,567		902,857
Total assets less current liabilities			<u>16,108,142</u>		<u>15,594,977</u>
Creditors: Amounts falling due after more than one year	20		(2,084,048)		(2,256,314)
Total net assets	25		<u>14,024,094</u>		<u>13,338,663</u>
The funds of the group:					
Endowment funds	22		639,946		636,085
Restricted income funds	23		889,186		917,343
Unrestricted funds	24		<u>12,494,962</u>		<u>11,785,235</u>
Total charity funds	25		<u>14,024,094</u>		<u>13,338,663</u>

These financial statements were approved by the Board of Governors on 5th December 2020

Michael CR Davies

Professor Michael Davies
Trustee

The notes on pages 21 to 55 form part of the financial statements

**CHRIST COLLEGE BRECON
BALANCE SHEET - COLLEGE
AS AT 31 AUGUST 2020**

		2020		2019	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	13		11,426,120		11,773,602
Investments	14		<u>2,844,456</u>		<u>2,919,519</u>
			14,270,576		14,693,121
Current assets:					
Debtors	17	1,434,350		1,767,334	
Cash at bank and in hand	18	<u>3,399,548</u>		<u>2,281,805</u>	
		4,833,898		4,049,139	
Liabilities:					
Creditors: Amounts falling due within one year	19	<u>(2,939,432)</u>		<u>(3,149,856)</u>	
Net current assets			1,894,466		899,283
Total assets less current liabilities			<u>16,165,042</u>		<u>15,592,404</u>
Creditors: Amounts falling due after more than one year	20		(2,084,048)		(2,256,314)
Total net assets	25		<u>14,080,994</u>		<u>13,336,090</u>
The funds of the charity:					
Endowment funds	22		639,946		636,085
Restricted income funds	23		889,1876		917,343
Unrestricted funds	24		<u>12,551,862</u>		<u>11,782,662</u>
Total charity funds	25		<u>14,080,994</u>		<u>13,336,090</u>

These financial statements were approved by the Board of Governors on 5th December 2020

Michael CR Davies

Professor Michael Davies
Trustee

The notes on pages 21 to 55 form part of the financial statements

CHRIST COLLEGE BRECON
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Net cash provided by operating activities	31	<u>1,169,436</u>	<u>1,722,930</u>
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments	6	71,269	89,179
Purchase of property plant and equipment	13	(193,793)	(272,534)
Proceeds from sale of investments		753,658	400,635
Purchase of investments	14	(817,106)	(632,595)
Net cash used in investing activities		<u>(185,972)</u>	<u>(415,315)</u>
<i>Cash flows from financing activities:</i>			
Repayments of borrowing		(96,370)	(1,118,334)
Net cash used in financing activities		<u>(96,370)</u>	<u>(1,118,334)</u>
Change in cash and cash equivalents in the reporting period		887,094	189,281
Cash and cash equivalents at the beginning of the reporting period		2,520,324	2,331,043
Cash and cash equivalents at the end of the reporting period	31	<u>3,407,418</u>	<u>2,520,324</u>

The notes on pages 21 to 55 form part of the financial statements

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with the charity's governing document, 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Christ College Brecon meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value except that:

- a) tangible fixed assets are stated at their valuation on 1 September 1986, and additions since that date are stated at cost.
- b) Investments held at fair value through the statement of financial activity.

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Cash Flow

No separate cash flow statement has been presented for Christ College Brecon itself as the College has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Presentation of the accounts on a going concern basis

The group reported a net unrestricted inflow of £780,450 (2019: £780,077) before transfers and losses on investments for the year. These accounts have been prepared on a going concern basis, the Group has net current assets of £1,838,567 (2019: £902,857). Forecasts prepared take into account timings of the receipts of fees and as such the Governors consider the going concern basis is the most appropriate basis as a result of projections prepared which indicate the College will be able to operate within the facilities currently available.

This college is monitoring results on a frequent basis. The governors are of the view that that on this basis the college is a going concern and there are no material uncertainties about the college's ability to continue as a going concern.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiaries Christ College Holiday Activities Limited and 1541 Limited on a line-by-line basis.

Taxation

As a registered charity, Christ College Brecon is entitled to the exemption from taxation in respect of income and capital gains received with sections 521-536 of the Income Tax Act 2007 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Foreign Currency

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- The charity or its subsidiary have entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity or its subsidiary;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP). Donations received for the general purposes of the College are credited to "other unrestricted funds", to distinguish them from direct College income. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. 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.

Income is accrued when the Gift Aid payment is payable to the parent charity under a legal obligation.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Income from interest and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year. All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales 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. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and remissions allowed by the College, but include contributions received from Scholarship funds and other trusts.

Expenditure Recognition and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

The charity has incurred expenditure on support costs.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are allocated in accordance with the actual costs incurred and, where costs are shared between different expenditure groupings, at the Governors' best apportionment.

The charity recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets for use by charity

All College buildings and equipment were valued at 1 September 1986. In accordance with the transitional arrangements of Financial Reporting Standard 102, these valuations have not been updated. Additions since that date are stated at cost. The threshold for capitalising equipment, fixtures and fittings is now £500. In the past all items with an expected useful life of more than one year were capitalised. The College is responsible for keeping the buildings in a fit and useful condition and these costs are written off as incurred.

Depreciation is provided on the straight-line method over the expected useful life of each category of tangible fixed assets, as follows:-

	Additions from 1 September 2000	Additions up to 31 August 2000
Freehold land and buildings	Over 15-30 years	Over 50 years
Furniture and equipment	Over 1-10 years	Over 5-20 years
Motor vehicles	Over 5 years	Over 5 years
Other leased assets	Over the term of the lease	Over the term of the lease
All weather pitch	Over 10-50 years	-

Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Stocks and work in progress

Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value. Stocks of goods for resale by Christ College Holiday Activities Limited are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Hire purchase and finance leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Deferred income

Fees paid in advance are included in creditors and released the Statement of Financial Activities as they fall due.

Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations and grants which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Pension schemes

The charity operates a defined contribution pension scheme for certain members of staff. The assets of the scheme are held separately from those of the charity. The contributions are charged to the income and expenditure account and allocated between unrestricted and restricted funds where applicable.

The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the statement of financial activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The College also contributes to the Teachers' Pension Scheme (a defined benefit scheme operated by the Department of Education and Skills), at rates set by the Scheme Actuary and advised to the College by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
Group and College	£	£	£	£	£
Donations and gifts	9,204	33,804	30,184	73,192	38,621
Legacies	-	66,910	-	66,910	124,111
	<u>9,204</u>	<u>100,714</u>	<u>30,184</u>	<u>140,102</u>	<u>162,732</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
Group and College	£	£	£	£	£
Fees and other fees receivable	6,633,278	-	-	6,633,278	7,132,883
Grant income	302,053	-	-	302,053	-
School trip income	150,303	-	-	150,303	383,862
Registration fees	10,552	-	-	10,552	4,628
Examination fees	-	-	-	-	1,788
Insurance commissions	3,853	-	-	3,853	10,544
	<u>7,100,039</u>	<u>-</u>	<u>-</u>	<u>7,100,039</u>	<u>7,533,705</u>

Fees receivable:

	2020 £	2019 £
Gross fees	8,323,101	8,444,313
Less: total scholarships, bursaries and remissions	(1,693,501)	(1,315,223)
Add back: scholarships, prizes, etc. paid for by restricted funds, scholarships paid for by outside trusts	<u>3,678</u>	<u>3,793</u>
	<u>6,633,278</u>	<u>7,132,883</u>

The total scholarships, prizes, etc. paid for by trust funds consist of:

	2020 £	2019 £
Scholarships, etc.	<u>3,678</u>	<u>3,793</u>
	<u>3,678</u>	<u>3,793</u>

The above educational awards were made to 185 individuals (2019: 212).

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. INCOME FROM CHARITABLE ACTIVITIES (continued)

Gross fees receivable may be analysed by the following:

	2020 £	2019 £
Boarders	4,647,200	4,860,635
Flexible boarders	949,203	974,665
Day pupils	2,599,253	2,460,845
Music and drama tuition	65,468	86,602
EAL income	21,700	20,700
Other fee income	26,377	29,646
Pupil hosting scheme	13,900	11,220
	<u>8,323,101</u>	<u>8,444,313</u>

Pupil numbers are calculated as the average number in each category over the school year:

	2020 No	2019 No
Boarders	166	198
Flexible boarders	44	48
Day pupils	174	156
	<u>384</u>	<u>402</u>

5. INCOME FROM OTHER TRADING ACTIVITIES

Group	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Rent	14,095	-	-	14,095	13,688
Wayleave	94	-	-	94	97
Minibus income	70,698	-	-	70,698	97,024
Milk subsidy	960	-	-	960	1,725
	<u>85,847</u>	<u>-</u>	<u>-</u>	<u>85,847</u>	<u>112,534</u>
College					
Malaysian project	12,000	-	-	12,000	12,000
Rent	14,095	-	-	14,095	13,688
Wayleave	94	-	-	94	97
Minibus income	70,698	-	-	70,698	97,024
Milk subsidy	960	-	-	960	1,725
	<u>97,847</u>	<u>-</u>	<u>-</u>	<u>97,847</u>	<u>124,534</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. INCOME FROM INVESTMENTS

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
Group	£	£	£	£	£
Interest income	6,272	-	-	6,272	11,442
Dividend income	32,093	18,816	14,088	64,997	77,737
	<u>38,365</u>	<u>18,816</u>	<u>14,088</u>	<u>71,269</u>	<u>89,179</u>
College					
Interest income	6,272	-	-	6,272	11,442
Dividend income	32,093	18,816	14,088	64,997	77,737
Gift aid from subsidiaries	-	-	-	-	296,621
	<u>38,365</u>	<u>18,816</u>	<u>14,088</u>	<u>71,269</u>	<u>385,800</u>

7. INCOME FROM OTHER SOURCES

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
Group and College	£	£	£	£	£
Sundry income	11,286	-	-	11,286	10,756
	<u>11,286</u>	<u>-</u>	<u>-</u>	<u>11,286</u>	<u>10,756</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. EXPENDITURE ON CHARITABLE ACTIVITIES

Group	Staff costs £	Other £	Depreciation £	Total 2020 £	Total 2019 £
Teaching costs	2,530,835	650,386	53,087	3,234,308	3,200,217
School trip expenditure	-	156,796	-	156,796	375,486
Welfare	197,102	448,330	11,450	656,882	793,964
Premises	1,174,870	596,465	455,920	2,227,255	2,648,750
Admin	-	231,274	20,818	252,092	259,186
Financing and other costs	-	69,458	-	69,458	136,358
Governance costs	-	17,011	-	17,011	22,592
	<u>3,902,807</u>	<u>2,169,720</u>	<u>541,275</u>	<u>6,613,802</u>	<u>7,436,553</u>

	2020 £	2019 £
Other expenditure consists of:		
Group		
Advertising, marketing and publicity	113,711	120,985
Audit and accountancy fees	16,254	15,000
Bank interest, charges and fees	93,627	123,701
Catering costs	168,556	245,062
Cleaning and laundry	11,623	18,144
Commissions paid	85,857	105,812
Equipment hire	1,131	38,279
Staff expenses and travel	2,204	5,739
Functions	18,801	33,085
House supplies	11,751	23,308
Insurance	56,782	51,677
IT costs	128,581	115,919
Leadership	3,220	3,307
Legal and professional fees	139,415	(49,996)
Printing, postage and stationery	31,232	38,963
Prizes	2,627	3,285
Productions	9,859	16,211
Recruitment	15,322	16,255
Rent, rates, water and utilities	280,751	306,889
Repairs and maintenance	522,395	636,371
School travel	63,863	91,256
Subscriptions	19,874	23,459
School trip expenditure	156,796	375,486
Teaching and sports supplies	121,597	214,072
Telephone	25,869	26,559
Training	24,036	27,202
Transport	43,986	131,646
Loss on disposal of fixed assets	-	308,102
	<u>2,169,720</u>	<u>3,065,778</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

College	Staff costs £	Other £	Depreciation £	Total 2020 £	2019 £
Teaching costs	2,530,835	650,386	53,087	3,234,308	3,200,217
School trip expenditure	-	156,796	-	156,796	375,486
Welfare	197,101	448,330	11,450	656,881	778,907
Premises	1,098,198	596,465	455,920	2,150,583	2,582,525
Admin	-	231,274	20,818	252,092	259,186
Financing and other costs	-	69,458	-	69,458	136,358
Governance costs	-	17,011	-	17,011	22,592
	<u>3,826,134</u>	<u>2,169,720</u>	<u>541,275</u>	<u>6,537,129</u>	<u>7,355,271</u>

Other expenditure consists of:	2020 £	2019 £
College		
Advertising, marketing and publicity	113,711	120,985
Audit and accountancy fees	16,254	15,000
Bank interest, charges and fees	93,627	123,701
Catering costs	168,556	230,005
Cleaning and laundry	11,623	5,284
Commissions paid	85,857	105,812
Equipment hire	1,131	38,279
Staff expenses and travel	2,204	5,739
Functions	18,801	33,085
House supplies	11,751	23,308
Insurance	56,782	51,677
IT costs	128,581	115,919
Leadership	3,220	3,307
Legal and professional fees	139,415	(49,996)
Printing, postage and stationery	31,232	38,963
Prizes	2,627	3,285
Productions	9,859	16,211
Recruitment	15,322	16,255
Rent, rates, water and utilities	280,751	306,889
Repairs and maintenance	522,395	636,371
School travel	63,863	91,256
School trip expenditure	156,796	375,486
Subscriptions	19,874	23,459
Teaching and sports supplies	121,597	214,072
Telephone	25,869	26,559
Training	24,036	27,202
Transport	43,986	131,646
Loss on disposal of fixed assets	-	308,102
	<u>2,169,720</u>	<u>3,037,861</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. AUDITORS REMUNERATION

Fees for examination of the accounts:

	Total 2020 £	Total 2019 £
Group		
Auditors fees	15,345	15,040
Other fees	<u>4,259</u>	<u>4,700</u>
College		
Auditors fees	11,995	11,750
Other fees	<u>4,259</u>	<u>3,250</u>

10. GOVERNANCE COSTS

Governance costs incurred during the year relate to:

	2020 £	2019 £
Group		
Legal and professional fees	757	2,852
Audit and accountancy fees	<u>19,604</u>	<u>19,740</u>
College		
Legal and professional fees	757	2,852
Audit and accountancy fees	<u>16,254</u>	<u>15,000</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

Group and College	2020 £	2019 £
Wages and salaries	3,071,450	3,137,535
Social security costs	268,198	267,475
Pension costs - teaching	416,970	313,267
Pension costs – non-teaching	146,189	109,780
	<u>3,902,807</u>	<u>3,828,057</u>

Pension contributions were made to the Teachers' Pension Scheme for teaching staff and to a group personal pension scheme independently administered by the Jelf Group for non-teaching staff.

During the year the college made cash payments for redundancy and settlement arrangements totalling £35,468 (2019: £5,115).

There were no amounts outstanding in relation to the above at the balance sheet date.

Employees earning over £60,000:

The number of employees who received employee benefits for the reporting period of more than £60,000 were:

	2020 No	2019 No
£60,000 to £69,999	2	2
£100,000 to £109,999	-	1
£110,000 to £119,999	<u>1</u>	<u>-</u>

Contributions totalling £41,875 (2019: £28,320) were made to the Teachers' Pension Scheme during the year, which is a defined benefit scheme for the above staff members, and contributions totalling £29,279 (2019: £33,035) were made to a defined contribution scheme.

The above emoluments include the residential emoluments.

Key management personnel

The total amount paid to key management personnel for their services to the college during the year totalled £405,605 (2019: £354,540).

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. STAFF NUMBERS

Group and College

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

	Total 2020 No	Total 2019 No
Teaching	57	61
Support	34	31
Estate	19	18
Domestics	24	31
	<u>134</u>	<u>141</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. TANGIBLE FIXED ASSETS

Group and College	Freehold- land & buildings £	All Weather pitch £	Furniture & equip- ment £	Motor vehicles £	Other leased assets £	Total £
Cost						
At 1 September 2019	18,733,985	210,736	1,451,950	90,114	308,833	20,795,618
Additions	128,888	-	18,455	46,450	-	193,793
Disposals	-	-	-	(21,241)	-	(21,241)
At 31 August 2020	<u>18,862,873</u>	<u>210,736</u>	<u>1,470,405</u>	<u>115,323</u>	<u>308,833</u>	<u>20,968,170</u>
Depreciation						
At 1 September 2019	7,601,641	210,736	931,998	58,044	219,597	9,022,016
Disposals	-	-	-	(21,241)	-	(21,241)
Charge for year	379,349	-	117,215	16,608	28,103	541,275
At 31 August 2020	<u>7,980,990</u>	<u>210,736</u>	<u>1,049,213</u>	<u>53,411</u>	<u>247,700</u>	<u>9,542,050</u>
Net book value						
31 August 2020	<u>10,881,883</u>	<u>-</u>	<u>421,192</u>	<u>61,912</u>	<u>61,133</u>	<u>11,426,120</u>
31 August 2019	<u>11,132,344</u>	<u>-</u>	<u>519,952</u>	<u>32,070</u>	<u>89,236</u>	<u>11,773,602</u>

The college buildings and equipment were valued on 1 September 1986 by an independent valuer, due to the historical nature of the valuation no details are held on the book cost of the assets at this date.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. FIXED ASSET INVESTMENTS

	2020	2019
Group	£	£
Carrying (fair) value at beginning of period	2,918,518	2,735,919
Add: additions to investments during period	817,106	632,595
Less: disposals at carrying value	(741,057)	(408,073)
Add/ (deduct): net (loss)/gain on revaluation	(138,510)	(49,360)
Dealing account	(12,602)	7,437
Carrying (fair) value at end of year	<u>2,843,455</u>	<u>2,918,518</u>
 College		
Carrying (fair) value at beginning of period	2,919,519	2,736,920
Add: additions to investments during period	817,106	632,595
Less: disposals at carrying value	(741,057)	(408,073)
Add/ (deduct): net (loss)/gain on revaluation	(138,510)	(49,360)
Dealing account	(12,602)	7,437
Carrying (fair) value at end of year	<u>2,844,456</u>	<u>2,919,519</u>

Analysis of investments

	2020		2019	
	Fair value £	Book cost £	Fair value £	Book cost £
Cash or cash equivalents	64,297	64,297	76,900	76,900
Listed investments	2,779,158	2,438,727	2,841,618	2,454,291
Investment in trading subsidiaries	1,001	1,001	1,001	1,001
	<u>2,844,456</u>	<u>2,504,025</u>	<u>2,919,519</u>	<u>2,532,192</u>

The investment portfolio is split between unrestricted, restricted and endowment funds. The ratios of the portfolio can be seen below:

	2020	2019
	%	%
Unrestricted	49	50
Endowment	22	21
Restricted	29	29
	<u>100</u>	<u>100</u>

The changes in the year reflect withdrawals and additions to the funds.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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15. TRADING SUBSIDIARIES

Christ College Holiday Activities Limited

The College owns 100% of Christ College Holiday Activities Limited, which gift aids its taxable profits to the College. This company lets the College premises during term-time and holiday periods and runs the College shop.

Christ College Holiday Activities Limited is a company registered in England and Wales, company number 02421643. The registered office of the company is C/O Azets, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, United Kingdom, CF23 8AB.

Its trading results and balance sheet position, extracted from its audited accounts, were:-

	2020 £	2019 £
Profit and Loss Account		
Turnover	21,148	244,073
Recharges to Christ College Brecon	10,303	9,920
Expenditure	(3,762)	(76,779)
Recharges from Christ College Brecon	(56,514)	(79,780)
Profit for year	<u>(28,825)</u>	<u>97,434</u>
Statement of Changes in Equity		
Balance brought forward	3,572	3,572
Profit and total comprehensive income for the period	(28,825)	97,434
Distributions to parent charity under gift aid	-	(97,434)
Balance carried forward	<u>(25,253)</u>	<u>3,572</u>
Balance Sheet		
Current assets	19,563	116,236
Current liabilities	(44,816)	(112,664)
Capital and reserves	<u>(25,253)</u>	<u>3,572</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. TRADING SUBSIDIARIES (continued)

1541 Ltd

The College owns 100% of 1541 Limited, which gift aids its taxable profits to the College. The college has signed with DBH Holdings of Malaysia to set up its first international school outside of the UK. The company receives reimbursements of any costs incurred in relation to the project and will receive advance profits for 3 years, and subsequently a share of the profits of the school.

1541 Limited is a company registered in England and Wales, company number 09917491. The registered office of the company is Christ College, Bridge Street, Brecon, Powys, LD3 8AF.

Its trading results and balance sheet position, extracted from its audited accounts, were:-

	2020 £	2019 £
Profit and Loss Account		
Turnover	163,043	266,003
Expenditure	(151,229)	(43,394)
Recharges to Christ College Brecon	(30,460)	(11,422)
Management charge from Christ College Brecon	(12,000)	(12,000)
(Loss)/profit for year	<u>(30,646)</u>	<u>199,187</u>
Statement of Changes in Equity		
Balance brought forward	1	1
Profit and total comprehensive income for the period	(30,646)	199,187
Distributions to parent charity under gift aid	-	(199,187)
Balance carried forward	<u>(30,645)</u>	<u>1</u>
Balance Sheet		
Fixed and current assets	2,940	218,550
Current liabilities	(33,585)	(218,549)
Capital and reserves	<u>(30,645)</u>	<u>1</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. STOCKS

Group	2020	2019
	£	£
<i>Goods for resale:</i>		
Opening balance	18,684	15,089
Added in period	3,859	10,086
Expensed in period	(8,877)	(6,491)
Closing balance	<u>13,666</u>	<u>18,684</u>

17. DEBTORS

	Group		College	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	1,199,998	1,373,651	1,208,931	1,296,839
Prepayments and accrued income	179,037	173,974	169,980	173,874
Balances due from group undertakings	-	-	55,439	296,621
	<u>1,379,035</u>	<u>1,547,625</u>	<u>1,434,350</u>	<u>1,767,334</u>

18. CASH AT BANK AND IN HAND

	Group		College	
	2020	2019	2020	2019
	£	£	£	£
Short term deposits	608,616	605,889	608,616	605,889
Cash at bank and on hand	2,798,802	1,914,435	2,790,932	1,675,916
	<u>3,407,418</u>	<u>2,520,324</u>	<u>3,399,548</u>	<u>2,281,805</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		College	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	72,128	73,761	72,128	73,761
Trade creditors	158,377	128,396	147,823	125,822
Accruals and deferred income	2,531,943	2,781,550	2,528,593	2,770,091
Taxation and social security	65,314	225,576	65,314	71,570
Other creditors	133,790	117,971	125,574	108,612
	<u>2,961,552</u>	<u>3,183,776</u>	<u>2,939,432</u>	<u>3,149,856</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group and College	
	2020	2019
	£	£
Bank loans	1,922,466	1,995,667
Deferred income	135,524	212,563
Other creditors	26,058	48,084
	<u>2,084,048</u>	<u>2,256,314</u>

Deferred income relates to fees received in advance and can be split in to the following categories:

Advance fees

Parents may enter into a contract to pay to the college tuition fees in advance, without limit. The money may be returned, subject to specific conditions, on the receipt of one term's notice.

Final term deposits

A returnable deposit is required from all applicants to the school. This is returned once the pupil completes their course at the college.

Michaelmas term fees

Fees are required before the term commences. Fees paid in respect of the forthcoming Michaelmas term are therefore treated as fees paid in advance.

The movement in deferred income in the year can be seen below:

	2020	2019
<u>Group and College</u>	£	£
Balance at the start of the reporting period	2,898,900	2,820,077
Amounts added in current period	8,031,526	8,523,135
Amounts released to income from previous periods	(8,323,101)	(8,444,313)
Balance at the end of the reporting period	<u>2,607,325</u>	<u>2,898,900</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Deferred income (continued)

The amounts split over the period are as follows:

	Advance fees		Final term deposits		Michaelmas term fees	
	2020	2019	2020	2019	2020	2019
<u>Charity and Group</u>	£	£	£	£	£	£
Within 1 year	203,986	270,298	57,791	60,164	2,210,024	2,355,875
Within 2-5 years	24,000	87,000	111,524	102,817	-	-
After 5 years	-	-	-	22,746	-	-
	<u>227,986</u>	<u>357,298</u>	<u>169,315</u>	<u>185,727</u>	<u>2,210,024</u>	<u>2,355,875</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Bank loans

The bank loans are secured over certain land, building and investment assets. The balance outstanding on the loans at 31 August 2020 is £1,994,594 (2019: £2,069,428). The governors estimate the value of the property securing the loan to be £3,145,000 (2019: £3,145,000).

The value of the investment portfolio totalled £2,843,455 (2019: £2,918,518).

The amount repayable on the bank loan is as follows:

	2020	2019
	£	£
Repayable within one year	72,128	73,761
Repayable between two and five years	383,230	383,230
Repayable in more than five years	1,539,236	1,612,437
	<u>1,994,594</u>	<u>2,069,428</u>

Lloyds Bank plc has a first legal charge over the freehold land and buildings of the following addresses:

36 Orchard Street, Brecon
50 Orchard Street, Brecon
51 Orchard Street, Brecon
52 Orchard Street, Brecon
53 Orchard Street, Brecon
54 Orchard Street, Brecon
56 Orchard Street, Brecon
57 Orchard Street, Brecon
58 Orchard Street, Brecon
64 Orchard Street, Brecon
65 Orchard Street, Brecon
1 Orchard Gardens, Brecon
2 Orchard Gardens, Brecon
Arts Centre Dinas Road, Brecon
St David's House, Christ College, Brecon
Orchard Boarding House, Christ College, Brecon
Headmistress House, Christ College, Brecon
Christ College, Brecon

Lloyds Bank plc also has a legal charge over the college's portfolio of stocks and shares.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Hire purchase contracts

The net book value of fixed assets held under hire purchase contracts during the year totalled £47,043 (2019: £68,884).

Net obligations payable:

	2020	2019
	£	£
Repayable within one year	19,493	19,004
Repayable between two and five years	26,058	48,084
	<u>45,551</u>	<u>67,088</u>

21. OPERATING LEASE COMMITMENTS

Group and College

Annual commitments held under operating leases expire as follows:

Net obligations payable:

	2020	2019
	£	£
Due within one year	8,097	9,379
Due between two and five years	-	16,030
	<u>8,097</u>	<u>25,409</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. ENDOWED FUNDS

Group and College	At 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2020 £
Black Cat	53,446	1,130	(1,130)	-	(2,112)	51,334
OBA award	203,701	4,307	(4,307)	-	(8,048)	195,653
Dr Herdman fund	215,499	4,557	(4,557)	-	(8,513)	206,986
Edward Edwards	48,098	1,017	(1,017)	-	(1,900)	46,198
Sundry	115,341	2,439	(2,439)	-	(4,557)	110,784
The Friends of Christ College Fund	-	30,822	(638)	-	(1,193)	28,991
	<u>636,085</u>	<u>44,272</u>	<u>(14,088)</u>	<u>-</u>	<u>(26,323)</u>	<u>639,946</u>

These funds consist of a number of separate trust funds set up by individual donors. These trust funds are pooled for investment purposes, and each fund is allocated its proportion of investment income, gains and losses. All endowed fund income is used to provide academic scholarships, bursaries and prizes.

Previous year

Group and College	At 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2019 £
Black Cat	54,511	1,432	(1,432)	-	(1,065)	53,446
OBA award	207,761	5,459	(5,459)	-	(4,060)	203,701
Dr Herdman fund	219,795	5,776	(5,776)	-	(4,296)	215,499
Edward Edwards	49,057	1,289	(1,289)	-	(959)	48,098
Sundry	117,640	3,092	(3,092)	-	(2,299)	115,341
	<u>648,764</u>	<u>17,048</u>	<u>(17,048)</u>	<u>-</u>	<u>(12,679)</u>	<u>636,085</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. RESTRICTED FUNDS

Group and College	At 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2020 £
Scholarship funds	149,996	3,047	(3,047)	-	(6,715)	143,281
Prize funds	52,922	1,269	(1,269)	-	(2,796)	50,126
Foundation - general	135,418	103,465	(90,158)	-	(6,062)	142,663
Sir Barrie and Lady Stephens scholarship fund	290,477	5,901	(5,901)	-	(13,003)	277,474
Chapel repair fund	613	-	-	-	-	613
Peter Lloyd bequest	207,403	4,213	(4,213)	-	(9,284)	198,119
Powell Donation	20,000	406	(406)	-	(895)	19,105
Kelvin Bryan bursary	60,514	1,229	(1,229)	-	(2,709)	57,805
	<u>917,343</u>	<u>119,530</u>	<u>(106,223)</u>	<u>-</u>	<u>(41,464)</u>	<u>889,186</u>

Scholarship funds and Prize funds: All scholarship and prize fund income is used to provide awards to pupils.

Foundation – general: Foundation funds are used for the development of the infrastructure of the college.

Sir Barrie and Lady Stephens scholarship fund: In 2015 the college received a legacy of £228,593 from the late Sir Barrie Stephens and Lady Stephens to provide scholarships.

Chapel repair fund: Funds raised towards repairs of the chapel at the college.

Peter Lloyd bequest: In 2018 the college received a legacy from the late Peter Lloyd to provide scholarships.

Powell Donation: Donation received to support student fees.

Kelvin Bryan bursary: Donation received to support student fees.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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23. RESTRICTED FUNDS (continued)

Previous year

Group and College	At 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2019 £
Scholarship funds	150,730	13,179	(11,514)	-	(2,399)	149,996
Prize funds	53,836	1,497	(1,497)	-	(914)	52,922
Foundation - general	137,608	3,586	(3,586)	-	(2,190)	135,418
Sir Barrie and Lady Stephens scholarship fund	295,176	7,693	(7,693)	-	(4,699)	290,477
Chapel repair fund	613	150	(150)	-	-	613
Peter Lloyd bequest	210,758	5,493	(5,493)	-	(3,355)	207,403
Powell Donation	-	20,000	-	-	-	20,000
Kelvin Bryan bursary	-	60,514	-	-	-	60,514
	<u>848,721</u>	<u>112,112</u>	<u>(29,933)</u>	<u>-</u>	<u>(13,557)</u>	<u>917,343</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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24. UNRESTRICTED FUNDS

Group	At 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2020 £
Foundation	1,640,975	-	-	-	(70,723)	1,570,252
General funds	10,144,260	7,428,932	(6,648,482)	-	-	10,924,710
	<u>11,785,235</u>	<u>7,428,932</u>	<u>(6,648,482)</u>	<u>-</u>	<u>(70,723)</u>	<u>12,494,962</u>
College						
Foundation	1,640,975	-	-	-	(70,723)	1,570,252
General funds	10,141,687	7,256,741	(6,416,818)	-	-	10,981,610
	<u>11,782,662</u>	<u>7,256,741</u>	<u>(6,416,818)</u>	<u>-</u>	<u>(70,723)</u>	<u>12,551,862</u>

Foundation fund: This fund reflects accumulated historical donations made for the general benefit of the school. These funds are held primarily as a contingency fund and currently £300k is designated for roofing and other emergency repairs. Of the balance these funds are intended to fund scholarships and bursaries at governors' discretion and also to provide a reserve for future building projects.

General funds: The general fund is retained to cover the fixed assets and provide working capital.

Previous year

Group	At 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2019 £
Foundation	1,664,099	-	-	-	(23,124)	1,640,975
General funds	9,364,183	8,289,822	(7,509,745)	-	-	10,144,260
	<u>11,028,282</u>	<u>8,289,822</u>	<u>(7,509,745)</u>	<u>-</u>	<u>(23,124)</u>	<u>11,785,235</u>
College						
Foundation	1,664,099	-	-	-	(23,124)	1,640,975
General funds	9,361,610	8,088,367	(7,308,290)	-	-	10,141,687
	<u>11,025,709</u>	<u>8,088,367</u>	<u>(7,308,290)</u>	<u>-</u>	<u>(23,124)</u>	<u>11,782,662</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
Endowment funds	-	639,946	-	-	639,946
Restricted funds	-	888,573	613	-	889,186
Unrestricted funds:					
General funds	11,426,120	1,314,936	1,837,954	(2,084,048)	12,494,962
	<u>11,426,120</u>	<u>2,843,455</u>	<u>1,838,567</u>	<u>(2,084,048)</u>	<u>14,024,094</u>
College					
Endowment funds	-	639,946	-	-	639,946
Restricted funds	-	888,573	613	-	889,186
Unrestricted funds:					
General funds	11,426,120	1,315,937	1,893,853	(2,084,048)	12,551,862
	<u>11,426,120</u>	<u>2,844,456</u>	<u>1,894,466</u>	<u>(2,084,048)</u>	<u>14,080,994</u>
<u>Previous year</u>					
Group	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
Endowment funds	-	636,085	-	-	636,085
Restricted funds	-	836,216	81,127	-	917,343
Unrestricted funds:					
General funds	11,773,602	1,446,217	821,730	(2,256,314)	11,785,235
	<u>11,773,602</u>	<u>2,918,518</u>	<u>902,857</u>	<u>(2,256,314)</u>	<u>13,338,663</u>
College					
Endowment funds	-	636,085	-	-	636,085
Restricted funds	-	836,216	81,127	-	917,343
Unrestricted funds:					
General funds	11,773,602	1,447,218	818,156	(2,256,314)	11,782,662
	<u>11,773,602</u>	<u>2,919,519</u>	<u>899,283</u>	<u>(2,256,314)</u>	<u>13,336,090</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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26. FOUNDATION INCOME AND EXPENDITURE

Group and College

The Christ College Foundation was established as a continuous fundraising programme to provide the Governors with the resources to fund scholarships and bursaries for deserving young people regardless of their financial circumstances, and to improve the school's facilities. During the year £196,040 was received by the Foundation (2019: £212,884), of which £30,184 related to the endowment fund (2019: £142), £149,224 related to the restricted funds (bursaries) (2019: £119,200), £16,612 related to the unrestricted fund (bursaries), £nil to restricted capital fund (2019: £150) and £nil to the restricted prize fund (2019: £344).

27. PENSION OBLIGATIONS

Group and College

Defined Contribution Scheme

The College operates a defined contribution scheme for non-teaching staff. The assets of the nonteaching staff scheme are held separately from those of the college in a group personal pension scheme independently administered by The Jelf Group. The pension cost charge represents contributions payable by the college to the non-teaching staff fund and amounted to £146,189 (2019: £109,780). At the year-end £15,145 (2019: £12,354) was accrued in respect of contributions to this scheme.

Defined Benefit Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the College. As required by FRS 102 section 28 'Retirement Benefits', the college accounts for this scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £416,970 (2019: £313,267). At the year-end £44,933 (2019: £39,979) was accrued in respect of contributions to this scheme.

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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27. PENSION OBLIGATIONS (continued)

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

**CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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28. RELATED PARTIES

Group and College

Governors' remuneration and benefits

None of the governors have been paid any remuneration or received any other benefits from an employment with their college or a related entity.

Governors' expenses

No governor was reimbursed for travel expenses during the current or prior year.

Transaction(s) with related parties

A number of governors have had children and grandchildren who are educated at the college. Fees were paid on normal terms.

Christ College Holiday Activities Limited was under the control of Christ College Brecon throughout the current and previous year.

Recharges to the company totalled £56,514 (2019: £79,780) and recharges from the company totalled £10,302 (2019: £9,920).

Amounts due to the college at 31 August 2020 from Christ College Holiday Activities Limited were £32,587 (2019: £97,434). The gift aid received during the year was £nil (2019: £97,434).

1541 Limited was under the control of Christ College Brecon from its date of incorporation on 15 December 2015.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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28. RELATED PARTIES (continued)

Recharges to the company during the period totalled £30,459 (2019: £11,422) and a management charge of £12,000 (2019: £12,000) was invoiced.

Amounts due to the college at 31 August 2020 from 1541 Limited were £22,852 (2019: £199,187). The gift aid received during the year was £nil (2019: £199,187).

Due to the nature of the college's operations and the composition of its Board (being largely recruited locally) it is possible that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving organisations in which a member of the board may have an interest are conducted at arms' length and in accordance with the college's financial regulations and normal procurement procedures. The college maintains a register of interests of members of the Board and senior management and has a policy for the management of potential conflicts of interest.

Christ College Brecon holds funds on behalf of the Society of Friends of Christ College due to the Society not having access to a bank account. The college has no entitlement to the funds and therefore the income and expenditure has not been recognised within the financial statements. The total amount held at 31 August 2020 is £1,621 (2019: £1,780). During the year the college received a donation of £30,184 from the Society as an endowment. The income from the endowment will be used towards bursaries at the college.

29. FINANCIAL INSTRUMENTS

Group and College

In January 2015 Christ College Brecon entered into a £1,000,000 interest rate cap agreement for a period of 10 years. The interest rate cap is to protect against future interest rate rises for a new £1,000,000 variable rate loan drawn down in January 2015. The interest rate is capped at 4% and an arrangement fee of £45,040 was paid. The fee paid is offset against the balance of loans due after more than one year on the balance sheet and will be amortised to the statement of financial activities over 10 years. At the year end the interest rate cap agreement liability to Christ College Brecon was £799 (2019: £933).

The bank loans held by the college are financial instruments which are measured at amortised cost (see note 20). The loan financing is in the form of secured loans with the college having both fixed variable interest rate loans. The market risk facing the college is that it is widely expected that interest rates will rise as the economic recovery gains momentum, however as noted above the college has entered in to an interest rate agreement to mitigate against the risk.

30. CAPITAL COMMITMENTS

At 31 August 2020 the college had no capital commitments.

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

Group	2020 £	2019 £
Net income for the reporting period	685,431	812,896
<i>Adjustments for:</i>		
Depreciation charges	541,275	542,719
(Gains)/losses on investments	138,510	49,360
Dividends, interest and rents from investments	(71,269)	(89,179)
Loss/(profit) on the sale of fixed assets	-	308,102
(Increase)/decrease in stocks	5,018	(3,595)
Increase in debtors	168,590	(1,627,576)
Increase/(decrease) in creditors	(298,119)	1,730,203
Net cash provided by operating activities	<u>1,169,436</u>	<u>1,722,930</u>
Analysis of cash and cash equivalents		
Cash in hand	2,798,802	1,914,435
Notice deposits (less than 3 months)	608,616	605,889
Total Cash and Cash Equivalents	<u>3,407,418</u>	<u>2,520,324</u>

Analysis of changes in net debt

	Opening balance £	Cash-flows £	Interest changes £	Other non-cash changes £	Balance carried forward £
Cash	1,914,435	884,367	-	-	2,798,802
Cash equivalents	605,889	2,727	-	-	608,616
	<u>2,520,324</u>	<u>887,094</u>	-	-	<u>3,407,418</u>
Bank loans falling due within one year	(73,761)	-	-	1,633	(72,128)
Bank loans falling due after more than one year	(1,995,667)	168,462	(93,628)	(1,633)	(1,922,466)
Finance lease obligations	(67,088)	22,885	(1,348)	-	(45,551)
Total	<u>383,808</u>	<u>1,078,441</u>	<u>(94,976)</u>	<u>-</u>	<u>1,367,273</u>

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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32. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

Group	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 £
Income and endowments from:				
Donations and legacies	137,124	25,608	-	162,732
Charitable activities	7,473,191	60,514	-	7,533,705
Other trading activities	112,534	-	-	112,534
Christ College Holiday Activities Limited	244,073	-	-	244,073
1541 Limited	266,003	-	-	266,003
Investments	46,141	25,990	17,048	89,179
Other income	10,756	-	-	10,756
Total income and endowments	8,289,822	112,112	17,048	8,418,982
Expenditure on:				
Charitable activities	7,389,572	29,933	17,048	7,436,553
Christ College Holiday Activities Limited	76,779	-	-	76,779
1541 Limited	43,394	-	-	43,394
Total expenditure	7,509,745	29,933	17,048	7,556,726
<i>Net (losses)/gains on investments</i>	<i>(23,124)</i>	<i>(13,557)</i>	<i>(12,679)</i>	<i>(49,360)</i>
Net income/(expenditure)	756,953	68,622	(12,679)	812,896
Transfers between funds	-	-	-	-
Net movement in funds	756,953	68,622	(12,679)	812,896
Reconciliation of Funds				
Total funds brought forward	11,028,282	848,721	648,764	12,525,767
Total funds carried forward	11,785,235	917,343	636,085	13,338,663

CHRIST COLLEGE BRECON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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32. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (continued)

College	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 £
Income and endowments from:				
Donations and legacies	137,124	25,608	-	162,732
Charitable activities	7,473,191	60,514	-	7,533,705
Other trading activities	124,534	-	-	124,534
Investments	342,762	25,990	17,048	385,800
Other income	10,756	-	-	10,756
Total income and endowments	8,088,367	112,112	17,048	8,217,527
Expenditure on:				
Charitable activities	7,308,290	29,933	17,048	7,355,271
Total expenditure	7,308,290	29,933	17,048	7,355,271
<i>Net (losses)/gains on investments</i>	<i>(23,124)</i>	<i>(13,557)</i>	<i>(12,679)</i>	<i>(49,360)</i>
Net income/(expenditure)	756,953	68,622	(12,679)	812,896
Transfers between funds	-	-	-	-
Net movement in funds	756,953	68,622	(12,679)	812,896
Reconciliation of Funds				
Total funds brought forward	11,025,709	848,721	648,764	12,523,194
Total funds carried forward	11,782,662	917,343	636,085	13,336,090

33. CHANGE IN ACCOUNTING POLICY

From 1st September 2019 the college changed its improvements to freehold buildings depreciation policy to a period of between 15-30 years instead of a period of 50 years. The college changed the policy during the year to allow for a more realistic evaluation of the life expectancy of the assets the policy covers. The policy only effects assets which were purchased after this date and as such has resulted in an increase in the deprecation charge of £246 for the year ended 31st August 2020.

