

# **TRINITY COLLEGE CARMARTHEN**

Registered charity number: **0525786**

## **Trustee's Report and Financial Statements**

**For the year ended 31 July 2021**

**Contents**

**Pages**

**Directors and advisors**

**1**

**Trustee's report**

**2 - 7**

**Statement of trustee's responsibilities**

**8**

**Auditor's report to the members of Trinity College Carmarthen**

**9 – 11**

**Statement of financial activities**

**12**

**Statement of financial position**

**13**

**Notes to the accounts**

**14 - 20**

## TRINITY COLLEGE CARMARTHEN

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### Legal and Administrative Information

<b>Name of Charity</b>	Trinity College Carmarthen
<b>Governing Instrument</b>	Charity Commission Scheme dated 12 June 1997
<b>Trustee of Charity</b>	Trinity University College Limited
<b>Trustee Directors</b>	Professor M Hughes The Venerable A J Randolph Mr Cerdig Emmanuel (Resigned 19.03.2020) Mrs Maria Stedman
<b>Charity Number</b>	0525786
<b>Principal Address</b>	Trinity College College Road Carmarthen SA31 3EP
<b>Auditor</b>	KPMG LLP 3 Assembly Square Britannia Quay Cardiff CF10 4AX
<b>Banker</b>	Barclays Bank plc Harford Square Lampeter Ceredigion SA48 7HF

### Trustees's Report

#### Chief Officer

Professor Medwin Hughes, BA D.Phil

#### Governing Instrument

Charity Commission Scheme dated 12 June 1997

#### Institutional Objectives and their Achievement

The charity Trinity College was founded in 1848 by endowment. The purpose of the charity is to hold the permanent endowment, which comprise both land and buildings, together with charitable monies which have accrued to the charity, for the purpose of providing bursaries and undertake major functional improvements to the estate that is used for the provision of higher and further education.

The objectives of Trinity College are in full alignment with the overarching University, UWTSD.

#### Public Benefit Statement

In setting and reviewing the objectives and activities of University of Wales: Trinity Saint David, and therefore by extension, Trinity College, the University Council, as the sole trustee, has had due regard to the Charity Commission's guidance on the reporting of public benefit and particularly to its supplementary public benefit guidance on the advancement of education.

The objects of the University are in full alignment with its Charter:

"to advance learning and knowledge by teaching and research, and, by the example and influence of its bilingual corporate life and Anglican Christian tradition as well as by its academic work, to enable students to obtain the advantages of University education, and to engage in activities to promote and contribute to spiritual, cultural, social, environmental and economic development within Wales and beyond".

University of Wales: Trinity Saint David has a distinct role to play within higher education. Its mission, educational character and academic portfolio attest to its strategic importance in furthering bilingualism and supporting the enhancement of the Welsh language and culture.

#### Mission Statement

##### ***Transforming Education; Transforming Lives.***

The learner is central to the University and wider Group. The education it delivers, underpinned by high quality research, will be distinctive; it will develop the minds and skills of its students, and also be inclusive, professional and employment-focused.

#### Vision

##### ***To transform, shape and develop futures***

The University's aim is to establish a new educational 'system' of universities and colleges committed to educating students of all ages and backgrounds, and to stimulate economic development in the region and across South West Wales.

The University is progressing this vision by developing integrated strategic planning across the group and promoting the development of coherent educational pathways across a range of institutions.

### Trustees's Report (continued)

#### Values

The University's core values are derived from our learner-focused mission and vision, and are articulated and advanced through the promotion of seven key planning themes:

- Collaboration
- Inclusivity
- Employability and creativity
- Sustainable development
- Wales and its distinctiveness
- The concept of global citizenship
- Research and its impact on policy

#### Key deliverables

In September 2017 the University launched a new strategic plan for the next 5 years (2017 to 2022). There are four strategic priorities for the planning period:

1. Putting learners first.
2. Maintaining excellence in teaching, scholarship and applied research.
3. Creation of opportunities through partnerships.
4. Maintaining a University for Wales.

Each of these four strategic priorities has specific plans, measures of success and key performance indicators attached to it.

#### Achievements during 2020-21

During the year the Charity continued to assist with the delivery of some of the University's key priorities in the following areas:

- Ownership of the properties used by the University at the Carmarthen campus
- Facilitating the working with key partners in Y Llwyfan

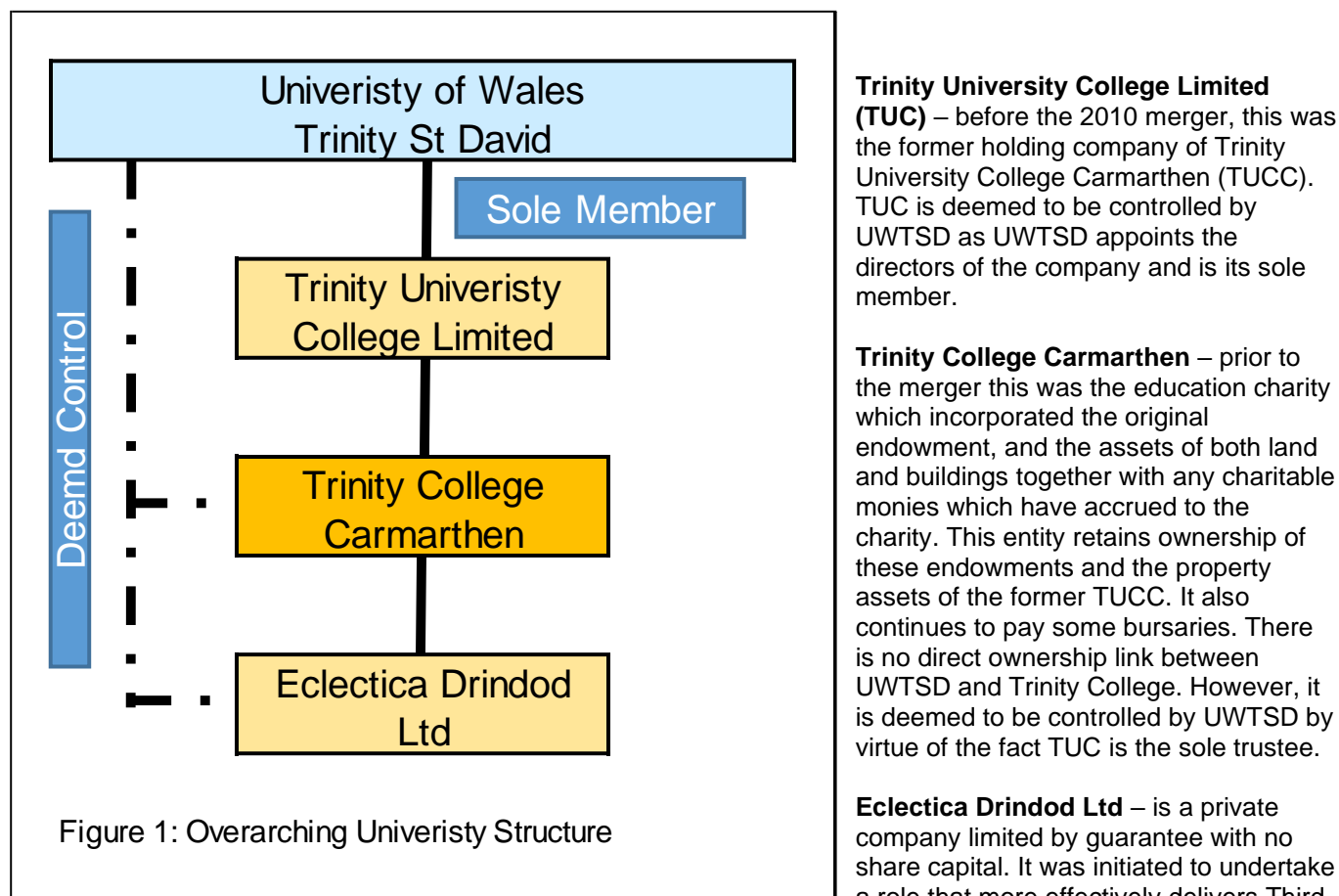
#### Legal Structure

University of Wales: Trinity Saint David (UWTSD) is the former University of Wales Lampeter (UWL) and is the principal entity for all 'university' activities (including degree awarding powers). It employs all University staff. It owns the assets of the former UWL and Swansea Metropolitan University and the majority of the assets and liabilities relating to UWTSD's ongoing activities.

UWTSD is the sole member of Trinity University College Limited who in turn controls Trinity College Carmarthen through way of its position as trustee of the charity. Trinity College Carmarthen have one trading subsidiary – Eclectica Drindod Limited.

Although UWTSD have no direct ownership link with Trinity College Carmarthen or Eclectica Drindod Limited, they are deemed to control both the charity and trading company as highlighted in figure 1 below:

Trustees's Report (continued)



Mission activity for Trinity College. There is no direct ownership link between UWTSD and Eclectica Drindod Ltd. However, it is deemed to be controlled by UWTSD by virtue of the fact it has the power to appoint directors.

## ORGANISATIONAL STRUCTURE, DECISION MAKING AND STRATEGY DEVELOPMENT

The objectives and strategic planning of Trinity College Carmarthen are in full alignment with those of the University of Wales Trinity Saint David (University / UWTSD), which is also an educational charity. The management structure of the University is also applicable to the charity.

Strategic planning is the part of the strategic management process which is concerned with identifying the overarching University's long term direction. It is a continuous, cyclical activity with the following phases: development, refinement, implementation, review and evaluation.

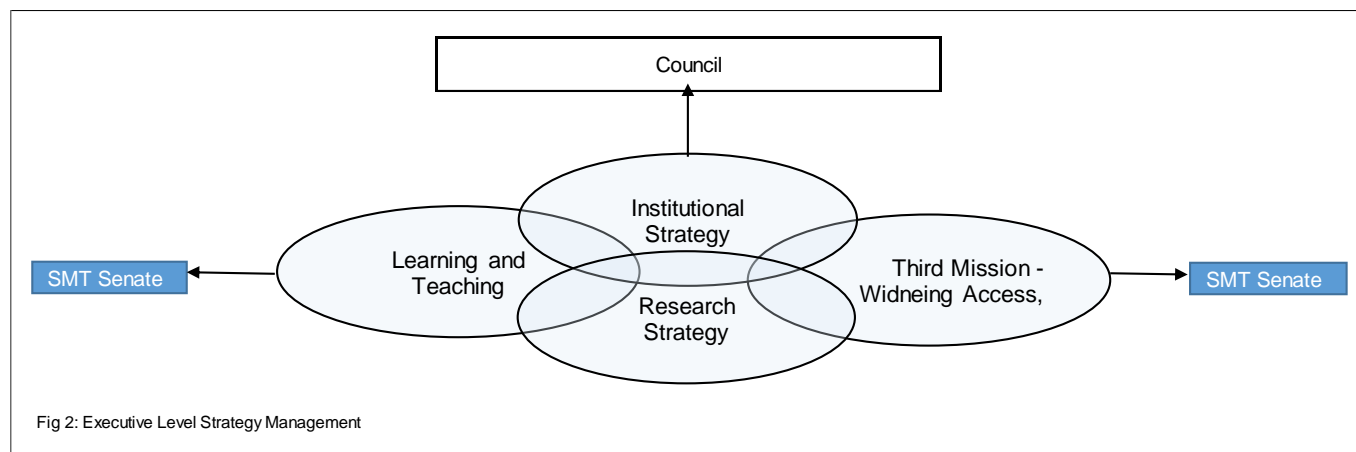
The internal process of strategic planning leads to a number of outputs, including:

- a long-term strategic or corporate plan covering a period of three to five years which identifies the overall strategy and sets out the short and long term objectives;
- an operating statement which articulates specific actions to be undertaken in the year ahead and
- an action plan setting a timescale and identifying responsibilities for undertaking the actions highlighted in the operating statement.

## Trustees's Report (continued)

### Executive Level

The integrated process of institutional planning is a holistic one, with each of the strategies being considered as part of the same institutional strategy development. As a result of the process, a set of coherent, institutional actions are set in place that are mutually supportive and contribute effectively to achievement of the overarching University mission.



The overarching University has a highly formal means of decision making. Strategy is developed within the senior management team following consultation at head of school and unit level – the annual strategic plan is approved by the full University Council. Operational decision making is made by senior management according to norms established within job descriptions.

Governance of the University is undertaken by University Council, which has distinct committees engaged in finance; strategy; audit and risk management; estates; human resources; nominations and senior staff remuneration. Members of Council serve on certain University committees in an advisory and observer role.

### Corporate Governance and the Council

The senior body of the University is its Council. Some UWTSD Council members also act as the board of trustees of the Trinity University College Limited, which is the trustee of the charity. UWTSD is responsible for major decisions on strategy, finance and senior appointments as well as the overall direction of the Institution itself.

Council appointments to Trinity College are made by open competition and the nomination of two members of the National Society for Promoting Religious Education. All appointments are recommended by the Nominations Committee and ratified by the Council.

The Council has continued with its programme of modernisation and development culminating in a policy that includes, amongst other things:

- A governor training and development programme to support individual members
- Co-option of new members with additional expertise and experience
- A set of high level Key Performance Indicators to monitor the highest levels of achievement in its Strategic Plan
- A periodic self-assessment and review of the performance and delivery of the Governing Body itself and of key committees

### Trustees's Report (continued)

#### Financial Health

The general financial health of Trinity College remains stable. The transactions in Trinity College relate mainly to receipt of rental income and depreciation of the buildings at the University's Carmarthen campus. The balance sheet is in good health with a net assets position of £13.4m (2019: £13.5m).

#### Principal Funding Source

The principal funding source is rent received from the letting of a property owned by the charity. The charity expenditure is split into two groups: the payment of bursaries to students, to recognise academic achievement, and the charge for depreciation on assets owned by the charity.

#### Basis of Preparation of Accounts and Going Concern

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

The Covid-19 Pandemic that has affected the UK from early 2020 and is expected to have continued impacts into 2021 is an external risk to all companies at the present time.

The trustees have considered this risk in relation to the Charity and its operations. A forecast for the next two financial years has been prepared that considers a scenario where no income is received by the Charity. Even in this scenario, the Charity is holding sufficient cash reserves to meet the expected cash expenditure for this 2-year period.

Due to this, the trustees have concluded that preparation of the accounts should be on a going concern basis

#### Financial Review

The trustees are satisfied with the financial operations of the Charity in the year.

Rent income is received from a group company and has been received at the same level as the prior year.

The Charity does not have any funds held as investments; the interest recognised has accrued from monies deposited in its bank account.

The operating expenditure within the year is largely depreciation on the buildings owned by the Charity. The student prizes awarded of £240 are slightly lower than those awarded in 2019/2020 of £530. The low awards value reflects the ongoing impact of the Covid-19 pandemic and the trustees expects these to grow in future years.

#### Investment Policy

The Charity does not have a formal investment policy and holds all of its available cash on deposit within its current account.

The trustees are satisfied with this position, opting to ensure that the Charity has sufficient cash funds to meet its obligations rather than seeking investment gains.



## Trustees's Report (continued)

### Reserves Policy

The trustees have reviewed the Charity's needs for reserves in line with the guidance issued by the Charity Commission.

The immediate impact of periodic fluctuations in the business of providing higher and further education services, and the responsibilities for maintaining the estate, are both borne by the overarching University. The Charity therefore finds that it is able to function with its funds entirely within general and restricted income categories, together with a small designated endowment fund set aside for specific purposes. The Charity is therefore able to operate freely with reserves for general purposes, as defined by the Charity Commission, but does seek further contributions as appropriate as unrestricted endowments. These are sought in order to provide a basis for a wider range of bursaries and scholarships, and also in order to secure major functional improvements in the estate that is used for the provision of higher and further education (rather than necessarily having to dispose of fixed assets for this purpose).

The Charity have general unrestricted reserves of £12.7m at 31<sup>st</sup> July 2021 (2020: £13.0m). The trustees have not set a formal monetary target for the level of unrestricted reserves, rather the requirement is for the Charity to hold reserves at a level that is sufficient to fund the Charity's activities and provide security for its asset base. At the current level of activity this level of reserves supports the Charity for 42 years and the trustees are satisfied that this is a satisfactory position for the Charity to be in

This policy is reviewed by the trustees in the context of the relationship between the Charity and its sole trustee - Trinity University College Limited.

### Risk Management

The overarching University has established a robust risk prioritisation methodology based on risk ranking, together with the ongoing maintenance of a corporate-wide risk register. The overarching University's system of internal control is designed to manage rather than eliminate the risk of failure in the achievement of strategic plans, aims and objectives. All academic faculties and support units maintain and review their risk registers on a regular basis, and when necessary, escalate significant risks to the institution to the corporate-wide register. Specific risk registers are developed for institutional projects, which are monitored by the overarching University's Resources Committee via the Estates Development Committee.

The principal risks and uncertainties faced by the University, and therefore the charity, are as follows:

- Managing in year cash-flows, particularly in light of the impact of the timing of tuition fee payments upon cash balances held within the Group at any one point in time, notwithstanding that group cash balances remain substantial at the year-end (£27.0million).
- In line with the above managing the cash-flows and net asset balance to meet the banking covenants set as part of the secured borrowing with HSBC bank
- Home/EU student recruitment and retention given uncertain economic environment and demographic trends.
- Managing performance across all of the Group's complex and diverse entities and locations and harmonising activity where appropriate to deliver strategic gains
- Development of the Group Estates Strategy to support on-going integration and future development of the University.

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Professor M Hughes  
Vice Chancellor

Trinity College  
College Road  
Carmarthen  
SA31 3EP

**STATEMENT OF TRUSTEE'S RESPONSIBILITIES IN RESPECT OF THE TRUSTEE'S ANNUAL REPORT AND THE FINANCIAL STATEMENTS**

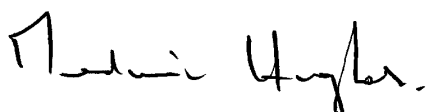
Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period. The trustee has elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- select suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assesses the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- uses the going concern basis of accounting unless it either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

The trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. It is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. It is responsible for such internal controls as they determine necessary to enable the preparation of financial statements which are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Signed on behalf of the Trustee



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Professor M Hughes  
Vice Chancellor

Trinity College  
College Road  
Carmarthen  
SA31 3EP

### Opinion

We have audited the financial statements of Trinity College Carmarthen ("the charity") for the year ended 31 July 2021 which comprise the Statement of Financial Activities, Statement of Financial Position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

### Fraud and breaches of laws and regulations – ability to detect

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the trustees' and group internal audit as to the charity's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the charity's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Trustee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that group and component management may be in a position to make inappropriate accounting entries.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TRINITY COLLEGE CARMARTHEN

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On this audit we do not believe there is a fraud risk related to revenue recognition due to the simplistic nature of the revenue generated and small number of transactions throughout the period.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the charity wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries based on risk criteria, including revenue journals made to unrelated accounts, unusual journal entries in relation to cash and borrowings, journals posted by users who do not usually make postings and unbalanced journals. No journals were identified that required further testing.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors(as required by auditing standards), and from inspection of the charity's regulatory and legal correspondence and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and charity legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charity is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TRINITY COLLEGE CARMARTHEN

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### Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

### Trustees' responsibilities

As explained more fully in their statement set out on page 8, the trustees are responsible for: the preparation of financial statements which give a true and fair view; 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; assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

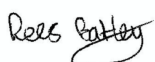
### Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Rees Batley**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

*66 Queen Square*

*Bristol*

*BS1 4BE*

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

26<sup>th</sup> November 2021

Statement of Financial Activities for the year to 31 July 2021

Year Ended 31 July 2021		Unrestricted		Restricted	Total
	Notes	General £	Designated £	Funds £	Funds £
<b>Income and endowments from:</b>					
Investments		4	-	1	5
Trading activities					
- Rents and room hire		50,000	-	-	50,000
<b>Total</b>		<b>50,004</b>	<b>-</b>	<b>1</b>	<b>50,005</b>
<b>Expenditure on:</b>					
Charitable activities	2	(344,159)	(5,307)	(4,010)	(353,476)
<b>Net movement in funds</b>		<b>(294,155)</b>	<b>(5,307)</b>	<b>(4,009)</b>	<b>(303,471)</b>
<b>Reconciliation of funds</b>					
Total funds at 1 <sup>st</sup> August 2020	7-9	13,025,005	341,643	4,009	13,370,657
<b>Total funds at 31 July 2021</b>	<b>7-9</b>	<b>12,730,850</b>	<b>336,336</b>	<b>-</b>	<b>13,067,186</b>
Year Ended 31 July 2020		Unrestricted		Restricted	Total
	Notes	General £	Designated £	Funds £	Funds £
<b>Income and endowments from:</b>					
Investments		7	-	1	8
Trading activities					-
- Rents and room hire		50,000	-	-	50,000
<b>Total</b>		<b>50,007</b>	<b>-</b>	<b>1</b>	<b>50,008</b>
<b>Expenditure on:</b>					
Charitable activities	2	(164,101)	(5,207)	(181,888)	(351,196)
<b>Net movement in funds</b>		<b>(114,094)</b>	<b>(5,207)</b>	<b>(181,887)</b>	<b>(301,188)</b>
<b>Reconciliation of funds</b>					
Total funds at 1 <sup>st</sup> August	7-9	13,139,099	228,274	185,896	13,553,269
Net Income and expenditure		(114,094)	(5,207)	(181,887)	(301,188)
New endowments received	8	-	118,576	-	118,576
<b>Total funds at 31 July</b>	<b>7-9</b>	<b>13,025,005</b>	<b>341,643</b>	<b>4,009</b>	<b>13,370,657</b>

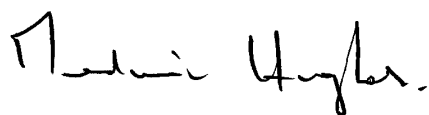
The notes on pages 14 to 20 form part of these accounts

Statement of Financial Position at 31 July 2020

	Notes	31 July 2021 £	31 July 2020 £
<b>Non-current assets</b>			
Tangible Fixed Assets	3	10,569,876	10,919,572
Heritage Assets	4	36,046	36,046
<b>Total non-current assets</b>		<b>10,605,922</b>	<b>10,955,618</b>
<b>Current assets</b>			
Trade and other debtors (including £11,748,069 (2020: £11,805,018) due after one year and £25,000 (2020: £25,000) due within one year)	5	11,773,069	11,830,018
Cash and cash equivalents		123,669	13,664
<b>Total current assets</b>		<b>11,896,738</b>	<b>11,843,682</b>
<b>Creditors:</b> amounts falling due within one year	6	<b>(9,435,473)</b>	<b>(9,428,643)</b>
<b>Net current assets</b>		<b>2,461,265</b>	<b>2,415,039</b>
<b>Total net assets</b>		<b>13,067,187</b>	<b>13,370,657</b>
<b>Funds</b>			
Restricted income funds	9	-	4,009
Unrestricted income funds – general	7	12,730,850	13,025,005
Unrestricted income funds – designated	8	336,336	341,643
<b>Total funds</b>		<b>13,067,186</b>	<b>13,370,657</b>

The notes on pages 14 to 20 form part of these accounts

The financial statements were approved by the Trustee on behalf of Trinity College Carmarthen on 25 November 2021



Professor M Hughes  
Vice Chancellor

## Notes to the Financial Statements

### 1. Accounting policies

#### a) Basis of Preparation

The financial statements have been prepared in accordance with the Charities governing document, the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" and in accordance with applicable UK Accounting Standards and the Charities Act 2011. The particular accounting policies adopted are described below. The financial statements have been prepared on a going concern basis under the historical cost convention. The trustee considers the going concern assumption to be appropriate as the charity has a strong net assets and a net current assets position, with a stable financial performance, and also has the security of being a subsidiary of University of Wales: Trinity Saint David.

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

The charity is a subsidiary undertaking and is exempt by virtue of Section 9 of FRS 102 from the requirement to prepare group financial statements. These financial statements present information about the charity as an individual undertaking and not about the group.

#### b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustee for particular purposes. The Education Bursaries and the Sports Bursaries have been designated to provide students with awards at the graduation ceremony to recognise outstanding achievement. The Basil Richards Fund has been designated to fund the refurbishment of meeting rooms and learning spaces, the fund makes an annual contribution toward the cost of the refurbishment.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

#### c) Incoming and expended resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All expenditure is accounted for on an accruals basis.

#### d) Tangible fixed assets

Assets are stated at cost, cost represents expenditure incurred from 1 August 1940. Buildings acquired prior to that date have been fully depreciated in accordance with the policy stated. The cost of land acquired before this date is immaterial.

Depreciation is not provided on freehold land. On other assets it is provided on cost in equal annual instalments over the estimated life of the assets at the rate of 2% to 4% per annum on buildings, 5% on alterations and improvements and 10% - 33 1/3 % on other assets.

No assets are capitalised that cost less than £5,000.

Heritage Assets are stated at cost, which represents expenditure incurred from 1 April 1981, there was no material cost incurred prior to that date. Depreciation is not provided for on the Heritage Assets.



**Notes to the Financial Statements (continued)**

**e) Taxation**

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2011 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**f) Cash flow statement**

No cash flow statement is included in accordance with FRS 102 Section 7 as the Charity has taken advantage of the exemption granted to subsidiary entities.

**g) Related Parties**

The operating statements of the Charity may include transactions with related parties. In accordance with FRS 102 Section 33 'Related Party Transactions' these are disclosed where trustees disclose an interest in a body with whom the Charity undertakes transactions.

**h) Going Concern**

The trustees have considered the potential impact of the Covid-19 pandemic on the finances of the charity in assessing the going concern position of the Charity.

The Charity has minimal cash outflows with less than £1,000 being defrayed as student awards over the past 2 financial years. The cash balance of £0.1m at 31 July 2021 is sufficient to fund these activities for the period to July 2022, the period for the going concern assessment.

The Charity has unrestricted reserves of £12.7m. The annual income statement charge of £0.3m is largely depreciation on buildings with a NBV of £10.5m. The trustees are satisfied that under the current structure in which the Charity sits no new activity will be introduced into the Charity in the foreseeable future and therefore the reserves held are adequate to support the depreciation charge on the buildings.

The Charity has £11.7m of debtors to being due after one year due the intention not to recall the debts in a 12-month period. The creditors due within one year are balances due to the Charity's parent company who have provided assurance that these balances will not be recalled within a period of at least 12 months from the date of signing these accounts.

The conclusion to the review was that sufficient reserve and cash balances exist in the Charity to fund the next 2 years cash expenditure and as such the accounts have been prepared on a going concern basis

**i) Judgement in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements management have made the following judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Notes to the Financial Statements (continued)

2. Expenditure on charitable activities

	Unrestricted General	Income Fund Designated	Restricted Income Funds	Total Funds 2021
	£	£	£	£
Student awards	-	300	(60)	240
Audit Fees	3,540	-	-	3,540
Depreciation of buildings used for charitable purposes	340,619	5,007	4,070	349,696
Total	344,159	5,307	4,010	353,476

Audit costs of £2,500 were borne by the parent undertaking in the prior year

3. Tangible Fixed Assets

	Freehold Land £	Freehold Buildings £	Equipment £	Total £
<b>Cost</b>				
At 1 August 2020	126,042	17,761,014	648,019	18,535,075
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 31 July 2021</b>	<b>126,042</b>	<b>17,761,014</b>	<b>648,019</b>	<b>18,535,075</b>
<b>Depreciation</b>				
At 1 August 2020	-	6,967,484	648,019	7,615,503
Charge for the period	-	349,696	-	-
<b>At 31 July 2021</b>	<b>-</b>	<b>7,317,180</b>	<b>648,019</b>	<b>7,965,199</b>
<b>Net Book Value at 31 July 2021</b>	<b>126,042</b>	<b>10,443,834</b>	<b>-</b>	<b>10,569,876</b>
Net Book Value at 31 July 2020	126,042	10,793,530	-	10,919,572

4. Heritage Assets

	2021 £	2020 £
Balance at 1 August and 31 July	36,046	36,406

The Heritage assets are held at cost and consist of works of art which include paintings and etchings

Notes to the Financial Statements (continued)

	2021 £	2020 £
<b>5. Trade and other debtors</b>		
<b>Amounts falling due within one year</b>		
Loan due from other group company	2,184,529	2,209,529
Other amounts due from other group company	300,000	300,000
Amounts due from parent undertaking	9,288,540	9,320,489
<b>Total trade and other debtors</b>	<b>11,773,069</b>	<b>11,830,018</b>

Due within one year	25,000	25,000
Due after more than one year	11,748,069	11,805,018

The loan was provided by the company by Eclectica Drindod Limited to finance the construction of 'Y Llwyfan'. The loan is repayable at the rate of £25,000 per annum. The loan is interest free.

The other amounts due from group companies and the parent company are repayable on demand

	2021 £	2020 £
<b>6. Creditors</b>		
<b>Amounts falling due within one year</b>		
Amount owed to parent undertaking – loan	3,854,222	3,850,682
Amount owed to parent undertaking – trading balance	5,581,251	5,577,431
Other Creditors	-	530
<b>Total trade and other creditors</b>	<b>9,435,473</b>	<b>9,428,643</b>

**7. Unrestricted fund - general**

The unrestricted fund – general comprises the original 1848 endowment plus funds generated from the original 1848 endowment. Movements in the year were:

	2021 £	2020 £
Balance at 1 August	13,025,005	13,139,099
Net (outgoing) resources	(294,155)	(114,094)
Balance at 31 July	<b>12,730,850</b>	<b>13,025,005</b>

Notes to the Financial Statements (continued)

**8. Unrestricted income fund – designated**

The income funds of the Charity include the following designated funds which have been set aside out of funds for specific purposes:

	<b>Balances 1 August 2020</b>	<b>Incoming resources</b>	<b>Resources expended and student awards</b>	<b>Balances 31 July 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Education Bursaries	9,984	-	(250)	<b>9,734</b>
Basil Richards Fund	319,106	-	(5,007)	<b>314,099</b>
Sports Bursaries	12,553	-	(50)	<b>12,503</b>
	<b>341,643</b>	<b>-</b>	<b>(5,307)</b>	<b>336,336</b>

**9. Restricted income funds**

The restricted income fund represents the capital grants utilised in the construction of assets included in tangible assets. The resource expended is the depreciation on the tangible assets that have been funded from the grant. The funds are restricted to fund the ongoing depreciation charge.

	<b>Note</b>	<b>Balances 1 August 2020</b>	<b>Incoming resources</b>	<b>Resources expended and student awards</b>	<b>Balances 31 July 2021</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted income		332,230	-	-	<b>332,230</b>
Legacies, bequests and donations	10	(328,221)	-	(4,009)	<b>(332,230)</b>
		<b>4,009</b>	<b>-</b>	<b>(4,009)</b>	<b>-</b>

Notes to the Financial Statements (continued)

**10. Legacies, bequests and donations**

The income funds of the Charity, which are held in cash, include restricted funds comprising the following balances of legacies, bequests and donations held on trust for specific purposes:

	Balances 1 August 2020	Incoming resources	Resources expended and student awards	Balances 31 July 2021
	£	£	£	£
Students' Amenities Funds:				
W J Roberts Legacy	1,804	-	-	<b>1,804</b>
Chancellor Elwyn Thomas Burssary	1,142	-	-	<b>1,142</b>
Stuart Burrows Music Scholarship	308	-	100	<b>408</b>
D D Rees Memorial Fund	2,180	1	-	<b>2,181</b>
Gwobr Tudor Bevan Fund	865	-	(40)	<b>825</b>
J E Mock Bursary Fund	1,819	-	-	<b>1,819</b>
A Bonner Steel Fund	26,779	-	-	<b>26,779</b>
	<b>34,897</b>	<b>1</b>	<b>60</b>	<b>34,958</b>

**11. Contingent liabilities**

In the event of Trinity College Carmarthen ceasing to be maintained as an educational establishment under the existing arrangements there is a contingent liability to the Higher Education Funding Council for Wales for the repayment of capital grants totalling £4,000,683 (2020: £4,000,683), providing always that nothing shall impose any liability on Trinity College Carmarthen in excess of the assets of Trinity College Carmarthen.

Trinity College Carmarthen has given a guarantee in favour of the United News & Media Plc and Lloyds Bank Registrars to indemnify them in respect of missing share certificates on the disposal of shares in HTV PLC. The guarantee is £24,123.

**12. Controlling party and subsidiaries**

For the whole of the year the Charity was under the control of its trustee, Trinity University College. The ultimate parent undertaking is University of Wales: Trinity Saint David. As detailed in the directors' report, the Charity has one subsidiary Eclectica Drindod Ltd.

The principal purpose of the parent undertaking is the provision of higher education. Copies of the consolidated financial statements of UWTSD can be obtained from The Clerk to Council, University of Wales: Trinity Saint David; College Road, Carmarthen, SA31 3EP.

Notes to the Financial Statements (continued)

13. Analysis of net assets between funds

	Unrestricted General	Income Fund Designated	Restricted Income Funds	Total Funds
	£	£	£	£
<b>Fund balances at 31 July 2021 are represented by:</b>				
Tangible fixed assets	4,844,679	-	5,725,197	<b>10,569,876</b>
Works of Art	36,046	-	-	<b>36,046</b>
Current assets	11,525,444	336,336	34,958	<b>11,896,738</b>
Current liabilities	(9,435,473)	-	-	<b>(9,435,473)</b>
Total net assets	<b>6,970,696</b>	<b>336,336</b>	<b>5,760,155</b>	<b>13,067,187</b>

14. Trustees expenses

For the year, no trustees or officers of the Charity received any remuneration (2020: £nil)

15. Related Party Transactions

The Charity has taken advantage of the exemption under FRS102 Section 33.1A from the requirement to disclose transactions with related parties which are wholly owned by the same group.