

REGISTERED CHARITY NUMBER: 528401

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021
FOR
FOUNDATION OF LUDLOW COLLEGE**

FOUNDATION OF LUDLOW COLLEGE
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FOR THE YEAR ENDED 31 MARCH 2021

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FOUNDATION OF LUDLOW COLLEGE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main objects of the charity are the provision of items, services and facilities for Ludlow College or any Higher or Further Education College conducted in Ludlow on the property of the charity, and the education of its students.

Significant activities

The charity pursues its objectives by providing facilities for Ludlow College and awarding university scholarships for college students.

Public benefit

The trustees have complied with their duty to have due regard to public benefit guidance published by the Charity Commission. The trustees consider that the charity meets the public benefit requirements of the Charities Act 2011 by carrying out its normal activities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Foundation Scholarship scheme continues with all existing commitments being honoured; the awarding of new scholarships to students for higher education has now been suspended.

No substantial grant had been made to the college, apart from the rental from HLC.

As at 31st March 2021 no amounts were outstanding in respect of rental receivable for the main buildings. Travel agency rent is now paid directly.

FINANCIAL REVIEW

Financial position

The trustees consider the performance of the charity during the year under review has been satisfactory.

As the granting of new scholarships has been suspended, there are no new liabilities in this area. Grants to the college to support the purchase of IMacs and Surface devices have been made, as well as bursaries directly to students to support travel costs etc.

The total market value of the financial investments at 31st March 2021 was £1,145,703 (2020 £983,723). Current assets were £45,619 (2020 £22,480). These show a significant improvement since last year and will enable the charity to continue to meet its objectives for the foreseeable future.

Reserves policy

Reserves are currently standing at a satisfactory level and are generating a consistent level of income to fund donations, activities for charitable objectives and to meet the general administration costs of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing documents, a Scheme dated 19/07/2002 as amended by a Scheme dated 19/03/2004 and as amended by a Scheme dated 05/12/2013.

Recruitment and appointment of new trustees

The appointment of trustees is governed by the Scheme governing the Foundation.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

FOUNDATION OF LUDLOW COLLEGE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
528401

Principal address
Castle Square
Ludlow
Shropshire
SY8 1GD

Trustees	
R E Meredith	A Minton-Beddoes
R Strachan	J M Hogan
J Forsyth	J Caird
A Salwey	D Butt
E Carson	R Swire
V Ainsworth	C Morris
J Evans	A Powis

Independent examiner
M A Skellum FCA
Ballards LLP
11c Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Investment Brokers
Harris Allday
Ground Floor, Beech House,
Anchorage Avenue, Shrewsbury Business Park,
Shrewsbury SY2 6FG

CCLA, Senator House,
85 Queen Victoria Street,
London EC4V 4ET

M&G Charities, PO Box 9038
Chelmsford CM99 2XF

Approved by order of the board of trustees on and signed on its behalf by:

Arabella Salwey
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
FOUNDATION OF LUDLOW COLLEGE**

Independent examiner's report to the trustees of Foundation of Ludlow College

I report to the charity's trustees on my examination of the accounts of the Foundation of Ludlow College (the Trust) for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn. We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I confirm that no other matters have come to my attention that give me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

M A Skellum FCA
Ballards LLP
11c Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Date:

FOUNDATION OF LUDLOW COLLEGE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted Fund £	Restricted fund £	2021 Total Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS FROM	Notes				
Donations and legacies		1,050	-	1,050	1,050
Investment income	2	74,057	3,933	77,990	57,205
Total		75,107	3,933	79,040	58,255
EXPENDITURE ON					
Charitable activities	3				
Grants		31,728	4,247	35,975	111,147
Support costs		1,137	-	1,137	15,600
Total		32,865	4,247	37,112	126,746
Net gains/(losses) on investments		128,428	35,071	163,499	(49,453)
NET INCOME/(EXPENDITURE)		170,670	34,757	205,427	(117,945)
Transfers between funds		(7,500)	7,500	-	-
Net movement in funds		163,170	42,257	205,427	(117,945)
RECONCILIATION OF FUNDS					
Total funds brought forward		696,406	4,758,726	5,455,132	5,573,076
TOTAL FUNDS CARRIED FORWARD		859,576	4,800,983	5,660,559	5,455,131
CONTINUING OPERATIONS					

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

FOUNDATION OF LUDLOW COLLEGE

BALANCE SHEET AT 31 MARCH 2021

	Notes	Unrestricted Fund £	Restricted fund £	2021 Total Funds £	2020 Total Funds £
FIXED ASSETS					
Tangible assets	6	-	4,494,275	4,494,275	4,494,275
Investments	7	845,186	300,517	1,145,703	983,724
		<u>845,186</u>	<u>4,794,792</u>	<u>5,639,978</u>	<u>5,477,999</u>
CURRENT ASSETS					
Debtors	8	329	0	329	329
Cash at bank	9	39,099	6,191	45,290	22,152
		<u>39,427</u>	<u>6,191</u>	<u>45,619</u>	<u>22,480</u>
CREDITORS					
Amounts falling due within one year	10	(17,997)	0	(17,997)	(26,097)
NET CURRENT ASSETS		<u>21,430</u>	<u>6,191</u>	<u>27,622</u>	<u>(3,617)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		866,616	4,800,983	5,667,599	5,474,382
CREDITORS					
Amounts falling due after more than one year	11	(7,040)	-	(7,040)	(19,250)
NET ASSETS		<u>859,576</u>	<u>4,800,983</u>	<u>5,660,559</u>	<u>5,455,131</u>
FUNDS	12				
Unrestricted funds				859,576	696,406
Restricted funds				<u>4,800,983</u>	<u>4,758,725</u>
TOTAL FUNDS				<u>5,660,559</u>	<u>5,455,131</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

Arabella Salwey
Trustee

The notes form part of these financial statements

FOUNDATION OF LUDLOW COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The 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 6th July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
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Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FOUNDATION OF LUDLOW COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

2. INVESTMENT INCOME

	2021 £	2020 £
Rents received	41,200	17,329
Investment dividends	32,857	35,417
Equities Investment Fund	3,933	4,459
	<u>77,990</u>	<u>57,205</u>

3. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support Costs £	Totals £
Grants	35,975	-	35,975
Support costs	-	1,137	1,137
	<u>35,975</u>	<u>1,137</u>	<u>37,112</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021, nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021, nor for the year ended 31 March 2020.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restrict ed fund £	Total Funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,050	-	1,050
Investment income	52,086	5,119	57,205
Total	53,136	5,119	58,255
EXPENDITURE ON			
Charitable activities			
Grants	109,935	1,212	111,147
Support costs	15,600	-	15,600
Total	125,534	1,212	126,746
Net gains/(losses) on investments	(42,830)	(6,624)	(49,453)
NET INCOME/(EXPENDITURE)			
Transfers between funds	-	-	-
Net movement in funds	(115,228)	(2,716)	(117,945)

FOUNDATION OF LUDLOW COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted	Restrict	Total
	fund	ed fund	Funds
	£	£	£
RECONCILIATION OF FUNDS			
Total funds brought forward	811,635	4,761,441	5,573,076
TOTAL FUNDS CARRIED FORWARD	696,406	4,758,725	5,455,131

6 TANGIBLE FIXED ASSETS

	Freehold Property £
COST	4,494,275
At 1 April 2020 and 31 March 2021	
NET BOOK VALUE	

At 31 March 2021 **4,494,275**

At 31 March 2020 4,494,275

The Freehold Land and Buildings are legally owned by the Foundation, although they are used exclusively by Hereford and Ludlow College. Market value is not available as the trustees consider the cost of carrying out a professional valuation to be excessive compared to the limited additional benefit derived by the users of the accounts.

7 FIXED ASSET INVESTMENTS

	Listed Investments £
MARKET VALUE	
At 1 April 2020	983,724
Additions	112,500
Disposals	(115,518)
Revaluations	164,997
At 31 March 2021	1,145,703
NET BOOK VALUE	

At 31 March 2021 **1,145,703**

At 31 March 2020 **983,724**

There were no investment assets outside the UK.

FOUNDATION OF LUDLOW COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

7. FIXED ASSET INVESTMENTS - continued

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
COIF Income Units	648,934	193,268	842,202	701,216
COIF Property Units	100,919	-	100,919	103,198
Equities Investment Fund for Charities	95,333	107,249	202,582	77,402
Stocks and shares	-	-	0	101,907
	<u>845,186</u>	<u>300,517</u>	<u>1,145,703</u>	<u>983,724</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Income from investments		0
Rental income	0	0
Other debtors	329	329
	<u>329</u>	<u>329</u>

9 CASH AT BANK

	General fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Lloyds current account	39,073	3,396	42,469	17,853
COIF deposit accounts	26	2,795	2,821	2,123
Harris Allday deposit account	-	-	-	2,176
Total	<u>39,099</u>	<u>6,191</u>	<u>45,290</u>	<u>22,152</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Scholarships	16,020	23,470
Other creditors	1,977	2,627
	<u>17,997</u>	<u>26,097</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Scholarships	7,040	19,250

FOUNDATION OF LUDLOW COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

12. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	696,406	170,670	(7,500)	859,576
Restricted funds				
Restricted funds	4,758,726	34,757	7,500	4,800,983
TOTAL FUNDS	<u>5,455,132</u>	<u>205,427</u>	<u>-</u>	<u>5,660,559</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	75,107	(32,865)	128,428	170,670
Restricted funds				
Restricted funds	3,933	(4,247)	35,071	34,757
TOTAL FUNDS	<u>79,040</u>	<u>(37,112)</u>	<u>163,499</u>	<u>205,427</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted Funds				
General fund	811,635	(115,229)		696,406
Restricted Funds				
Restricted funds	4,761,441	(2,715)		4,758,725
TOTAL FUNDS	<u>5,573,076</u>	<u>(117,944)</u>	<u>-</u>	<u>5,455,132</u>

FOUNDATION OF LUDLOW COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2021

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources Expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	53,136	(125,534)	(42,830)	(115,228)
Restricted funds				
Restricted funds	5,119	(1,212)	(6,624)	(2,717)
TOTAL FUNDS	<u>58,255</u>	<u>(126,746)</u>	<u>(49,454)</u>	<u>(117,945)</u>

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

The following restricted funds are held by the charity:

Harley Bequest	- to supplement teachers' salaries
Melsome Trust	- to provide annual science and technology grants
Nash Award	- to provide an annual grant to a former Ludlow College student studying at Bristol University
Curry Prize	}
Meredith Prize	} the income from these funds is now used for the general
Mills Prize	} funding of prizes
Student Prize	}

Transfers between funds

The transfer of £7,500 from unrestricted funds to restricted funds is the amount set aside from the charity's income and invested in restricted COIF investments as detailed in note 14.

13. CONTINGENT LIABILITIES

Significant contributions have been made by the government in developing many of the buildings and should any of these assets be sold the charity may be liable, under the terms of the financial memorandum with the Council, to surrender a proportion of the proceeds.

14. CAPITAL COMMITMENTS

	2021 £	2020 £
Contracted but not provided for in the financial statements	-	-

The Millichope Arts Centre was financed using £357,000 from the permanent endowment of the charity, being the proceeds of property sold in 2005 and 2006. This was authorised by the Charity Commission in an order dated 15 June 2006. Under the terms of the order the charity must replace this sum by setting aside each year for 50 years a 1/50th part of the sum from the charity's income, which must be invested as permanent endowment of the charity.

FOUNDATION OF LUDLOW COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

**FOUNDATION OF LUDLOW COLLEGE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,050	1,050
Investment income		
Rents received	41,200	17,329
Investment dividends	32,857	35,417
Equities Investment Fund	3,933	4,459
	77,990	57,205
Total incoming resources	79,040	58,255
EXPENDITURE		
Charitable activities		
Foundation Scholarships	(4,310)	(16,716)
Foundation Bursaries/Prizes	838	1,225
Payments to staff of Ludlow College	4,247	4,404
Grants to College	35,200	122,234
	35,975	111,147
Support costs		
Governance costs		
Professional charges	1,137	15,600
Total resources expended	37,112	126,747
Net income	41,928	(68,492)

This page does not form part of the statutory financial statements