

Company Registration No. 246351

Charity Registration No. 529320

The Frere Educational Trust

(A company limited by guarantee and not having a share capital)

Trustees' Annual Report and Audited Financial Statements

For the year ended 31 August 2021

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The trustees present their annual report and the independently audited financial statements for the year ended 31 August 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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)'.

Administrative details

Company Registration Number: 246351
Charity Registration Number: 529320

Trustees: Father Oswin Gartside
Father George Paul Alfred Guiver
Brother Philip David John Nichols
The Very Rev'd Dr. Frances Ward

Also known as: The College of the Resurrection

Principal: The Right Rev'd Mark Sowerby

Secretary and Bursar: Mrs Adele Hannah

Charity Office/Registered Office: College of the Resurrection
Stocks Bank Road
Mirfield
West Yorkshire WF14 0BW

Advisers: Bankers: HSBC plc Market Place, Dewsbury, WF13 1DH
Bankers: CAF Bank Ltd 25 Kings Hill Avenue, West Malling, ME19 4JQ
Auditors: Forrest Burlinson 20 Owl Lane, Dewsbury, WF12 7RQ
Solicitors: Wrigleys Solicitors LLP 19 Cookridge Street, Leeds, LS11 5PU
Investments: Brewin Dolphin Securities, 12 Smithfield Street, London, EC1A 9BD

Purpose and activities

The purposes of the charity are: the advancement of religious education for the public benefit, and in particular to establish and maintain colleges, hostels or other institutes at Mirfield in Yorkshire, London, South Africa or elsewhere for the reception and training of students in theology, science, arts or letters, but more especially for students who are or who intend to become candidates for Holy Orders.

The College of the Resurrection, a residential Anglican theological college in Mirfield, is the principal work of the Frere Educational Trust.

The College of the Resurrection was founded in 1903 and is the only theological college in the Anglican Communion that shares its life with a monastic community.

Students at the College are mostly candidates for ordination to the priesthood.

The College:

- offers formation for both stipendiary and non-stipendiary ministry;
- provides pathways for pioneer ministers and theological educators;
- offers preparation for the distinctive diaconate and for a wide diversity of lay ministries in parishes and in monastic life.
- welcomes priests studying (part or full-time) for an MA, or undertaking sabbatical study.

Statement on public benefit

The trustees are pleased to confirm that they have considered the Charity Commission's guidance on public benefit in deciding the activities and operations of the charity.

Achievements and performance

The 2020/21 academic year began with a fresh intake of 9 new students (6 men and 3 women), giving a total of 27. This left the College not as far advanced upon a growth plan as had been hoped.

Over the 2020/21 academic year, the College completed the 'teaching out' of the Sheffield BA, achieving a very satisfactory set of results. At the same time, work began on the delivery of a new curriculum leading to qualifications from the suite of Durham University's *Common Awards*. We were assisted in this by the continuing presence of The Revd Canon Cathy Rowling who, having initially covered the period of Dr Ben Gordon-Taylor's sabbatical leave, took on the role of Interim Dean of Pastoral Studies and Tutor-Group Leader. Sadly, Dr Ben Gordon-Taylor experienced a protracted period of ill-health during which he was unable to work. This led to a delay in progress towards the preparation of a new Common Awards degree in Liturgy and Worship, which might be expected to run profitably. Towards the end of the year, The Revd David Babbington MA was appointed to take the role of Dean of Pastoral Studies. The Revd Gill Johnson took planned retirement at the end of the academic year and was succeeded by Mrs Alison Lewis.

The College was delighted at the appointment of Mrs Adele Hannah as Bursar to the College as well as to The Community of The Resurrection.

Much of the above has happened during the Covid19 Pandemic which necessitated the early closure of the College before Christmas 2020 until the Summer Term. Staff and students returned to operating via Zoom. Visits to College by Prospective Students became impossible for much of the time, though some students, who remained on site, were able to offer video-tours whilst others made themselves available for conversation and discussion with prospective students. Notwithstanding their efforts, recruitment was disappointingly small.

Financial review

The Charity's main source of funding is from dioceses which are funded by Ministry Division of the Archbishops' Council for the education, formation and training of ordinands for the Church of England.

Income from maintenance and tuition fees for the year was £414,264 (2020: £463,892). This income is directly driven by student numbers. Additional income from provision of housing, receipts from guests and reimbursements for the year was: £56,092 (2020: £66,635).

Income generated by investments in the year was: £4,504 (2020: £7,450).

The investment strategy is to seek a broad balance of income and capital appreciation with low to moderate levels of risk as defined by our investment broker, whilst having regard to the liquidity requirements of operating the College and so ensuring sufficient notice is given of any potential cash flow requirements so that investment sales can be made at appropriate times.

At this present time the Charity's instruction to the investment broker does not refer to any specific social, environmental or ethical requirements, whilst trusting that investments will not be made in any wholly inappropriate investments.

The Charity gratefully received general donations of £3,509 (2020: £4,561) and legacies of £95,615 (2020: £10,000).

The annual grant from The Community of the Resurrection (the parent charity), which represents the income from investments transferred to the parent charity in 2007, was £6,389 (2020: £9,306).

The Frere Educational Trust also received a £25,000 grant from the Community of All Hallows to support the spiritual training provided at the College.

Following accounting standard FRS 102, the Charity recognises its obligations under the Church of England Funded Pensions Scheme of £15,000 (2020: £27,000). This obligation is to be met through higher current and future contributions. This places a significant burden on the financial resources of employing stipendiary academic staff and is taken into consideration by the trustees in planning the future of the College.

The General Fund, which is the operating fund of the Charity, held £195,650 as at 31 August 2021, after allowing for the potential liability arising on the multi-employer defined benefit pension scheme, this represents 10 weeks expenditure out of the 30-week term time, and 16 weeks of annual average expenditure.

This remains below the reserve policy of maintaining reserves at a level not below £200,000 and the trustees have plans in place to address this.

Reserves are defined as net current assets (cash, bank balances, and debtors less creditors) plus stock market investments.

Risk management

Risks have been assessed in accordance with Charity Commission guidance in CC26 and action plans put in place to mitigate or manage those risks. This covered risks associated with adverse event management, academic risk, compliance and safeguarding risks, operational risks (including data protection), and financial risks (including guarding against fraud risks and consideration of the risks associated with investments).

The risk register is monitored and updated on a regular basis.

A commonality with some of these, particularly financial risk, was student intake and the size of the overall student body. Whilst the risk that numbers could fall to such a level as to be considered critical was judged to be only moderate, it does highlight the trustees' desire to have sufficient resources in place to support residential training for the future.

Future plans

Student numbers remains key to the stability of the College and continued effort has been put into recruitment, including a presence on social media and the 2020 release of an audio-visual prospectus is to be repeated with an edited & updated version. The College also continues to seek and sustain excellent relations with Directors of Ministry and Directors of Ordinands across the Church and arranged a series of video meetings in the late spring of 2021.

Structure, Governance and Management

The Charity is a company limited by guarantee and not having a share capital is governed by its Memorandum and Articles of Association.

The directors of the Charity are its trustees for the purposes of charity law and throughout this report are referred to as the trustees. The trustees as Charity Trustees have control of the Charity and its property and funds.

Each member undertakes to contribute to the assets of the Charity in the event of the Charity being wound up, to a limit not exceeding £1 (one pound).

The sole member of the Frere Educational Trust is the Community of the Resurrection which is a company limited by guarantee and not having a share capital and a registered charity.

The trustees named above have served throughout the year except where indicated.

The trustees agree the broad strategy and areas of activity the Charity undertakes in accordance with the Articles of Association. This requires that the trustee body must include the Superior for the time being of the Community of the Resurrection and such other persons nominated by the Community.

The Charity recognises that it has a responsibility to provide guidance and assist new trustees in fulfilling their duties and responsibilities. This is done in accordance with Charity Commission guidance. New trustees are given appropriate Charity Commission publications.

The trustees have delegated some responsibilities, in particular, oversight of the day-to-day running of the College to the College Council.

The Council has 19 members, including the Chair (a Bishop), The Superior of the Community, three Community brothers, the College Principal, a member of the teaching staff, a representative of St. Hild College, members of Synod, three student representatives and other members with business, legal, educational and clerical experience.

The following subcommittees have delegated responsibilities: Finance and General Purposes and Staffing subcommittees which meet regularly.

Management Team meetings are held once a month and deal with day-to-day management of the College. The meetings are attended by the Principal of the College, a College Tutor, the Bursar, the Secretary and the Estate Manager of the Community and College.

Pay policy for senior staff

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. The pay of academic staff is in line with guidance issued each year by the Archbishops' Council of the Church of England (known as the "Lichfield Scale").

Co-operation with other organisations

The Charity works with and co-operates with the following organisations:

- The Community of the Resurrection, its parent company;
- The Ministry Division of the Archbishops' Council of the Church of England;
- St. Hild College;
- The Yorkshire Theological Education Partnership;
- The Leeds Diocesan School of Ministry.

The Community of the Resurrection

The Charity is a wholly owned subsidiary of the Community of the Resurrection (its parent company), which is a company limited by guarantee and having no share capital and a registered charity.

The Charity operates out of buildings, including the College, which are owned by the Community. The Charity meets the day to day running costs of these buildings. Some of the expenditure of the Charity is incurred by the Community and recharged to the Charity on an agreed basis which both organisations consider to be an equivalent to that between unrelated parties. Details and amounts for these transactions are given in the accounts.

Statement of trustees' responsibilities

The trustees (who are also directors of the Frere Educational Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the directors' 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs and of the income and expenditure of the charitable company for that period.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act; the Charities Act; the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Articles of Association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to the auditors

In so far as the trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- each trustee, having made enquiries of fellow trustees and the charity's auditor that they ought to have individually taken, have each taken all steps that he or she is obliged to take as a trustee/director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on 4 November 2021 and signed on their behalf by:

.....
Father Oswin Gartside
Trustee
Frere Educational Trust

.....
Brother Philip David John Nichols
Trustee
Frere Educational Trust

Opinion

We have audited the financial statements of The Frere Educational Trust for the year ended 31 August 2021 which comprise the Statement of Financial Activities and Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and applications of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

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 course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report included within the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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.

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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our procedures and testing included but were not limited to the following.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, in respect of irregularities, including fraud and non-compliance with laws and regulations, this also includes obtaining an understanding of how fraud might occur by:

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

Due to the increased risk of fraud through management bias and overriding of controls, we:

- performed analytical procedures to identify any unusual transactions or relationships;
- tested journal entries for unusual transactions;
- assessed judgements and assumptions made by management for potential bias;
- considered the rationale for any significant or unusual transactions.

We also carried out procedures to:

- agree the financial statement disclosures to the supporting records and documentation;
- read the minutes of meetings of those charged with governance;
- enquire of management as to any actual or potential litigation and claims; and
- review relevant documentation and correspondence.

There are inherent limitations in our audit procedures. Auditing standards limit the audit procedures to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence. The further that particular laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud usually involve deliberate concealment or collusion, such material misstatements are harder to detect than those that arise from error.

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.

Use of our report

This report is made solely to the charitable company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's member 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 charitable company and the charitable company's member as a body, for our audit work, for this report, or for the opinions we have formed.

.....

.....2021

Ebrahim Suleman (Senior Statutory Auditor)
for and on behalf of Forrest Burlinson, Statutory Auditor

20 Owl Lane
Shawcross
Dewsbury
WF12 7RQ

The Frere Educational Trust
Statement of Financial Activities
and Summary Income and Expenditure Account
for the year ended 31 August 2021

Company Registration No. 246351
Charity Registration No. 529320

		Unrestricted	
	Note	Total 2021 £	Total 2020 £
Income from:			
Donations and legacies	2	130,513	55,510
Charitable activities:			
Operation of the College of the Resurrection	3	470,356	530,527
Investments	4	4,504	7,450
Total income		605,373	593,487
Expenditure on:			
Charitable activities:			
Operation of the College of the Resurrection	5	617,078	634,149
Total expenditure		617,078	634,149
Net gains/(losses) on investments	6	31,085	(14,616)
Net income/(expenditure)		19,380	(55,278)
Net movement in funds	7, 14	19,380	(55,278)
Reconciliation of funds:			
Total funds brought forward		176,270	231,548
Total funds carried forward		195,650	176,270

		Unrestricted	
		Total	Total
		2021	2020
	Note	£	£
Fixed assets:			
Investments	11	133,931	204,226
Total fixed assets		133,931	204,226
Current assets			
Debtors	12	838	1,951
Cash at bank and in hand		96,935	20,847
Total current assets		97,773	22,798
Liabilities: creditors falling due within one year	13	(21,054)	(23,754)
Net current assets/(liabilities)		76,719	(956)
Total assets less current liabilities		210,650	203,270
Liability arising on multi-employer defined benefit pension scheme re past services	10	(15,000)	(27,000)
Net assets		195,650	176,270
The funds of the charity:			
Unrestricted income funds	14	195,650	176,270
Total charity funds		195,650	176,270

The notes on pages 13 to 22 form part of these accounts.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board on 4 November 2021 and signed on their behalf by:

.....
Oswin Gartside
Trustee

.....
Philip David John Nichols
Trustee

	note	Total 2021 £	Total 2020 £
Cash flows from operating activities			
Net movement in funds		19,380	(55,278)
(Gains)/losses on investments		(31,085)	14,616
Investment income		(4,504)	(7,450)
Decrease (increase) in debtors		1,113	67
Increase (decrease) in creditors		(2,700)	6,737
Increase (decrease) in pensions liability		<u>(12,000)</u>	<u>(51,000)</u>
Net cash used in operating activities		(29,796)	(92,308)
Cash flows from investing activities:			
Investment income		4,504	7,450
Proceeds from sale of investments		109,194	66,898
Purchase of investments		<u>(7,814)</u>	<u>(20,097)</u>
Net cash provided by (used in) investing activities		105,884	54,251
Change in cash and cash equivalents in the reporting period		76,088	(38,057)
Cash and cash equivalents at the beginning of the period		20,847	58,904
Cash and cash equivalents at the end of the period		<u>96,935</u>	<u>20,847</u>
Reconciliation of cash and cash equivalents			
Bank and cash in hand		96,935	20,847
Total cash and cash equivalents		<u>96,935</u>	<u>20,847</u>

1 Accounting Policies

The charitable company is a public benefit entity as defined by FRS 102.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' - the Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note. Monetary amounts in these financial statements are nearest £.

As the charitable company does not trade for profit, the trustees have taken advantage of Section 474 of the Companies Act 2006 and have prepared an income and expenditure account instead of a profit and loss account.

1.2 Legal status

The Charity is a company limited by guarantee, incorporated in England.

The only member of the charity is the Community of the Resurrection (Co.reg.no. 00247772), a company limited by guarantee, having no share capital and being a charity registered in England (no. 232670).

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member. The trustees of the charity are as listed in the Trustees Annual Report.

The registered office is: The College of the Resurrection, Stocks Bank Road, Mirfield, WF14 0BW.

1.3 Fund accounting

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

Designated funds comprise unrestricted funds that the trustees have decided at their discretion to set aside for a particular purpose. The aim and use of each designated fund is set out in these notes.

The Charity had no restricted funds during the year, or the comparative year.

1.4 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Income

Income is recognised when the following criteria are met:

- the charity has 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;
- it is probable that the income will be received; and
- the amount can be measured reliably.

Income from grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated services and facilities are included at the value to the charity where this can be quantified. In accordance with the Charities SORP (FRS 102) the economic contribution of volunteers time is not measured in the accounts.

For legacies entitlement is the earlier of the date on which the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) that a distribution to the charity will be made, or when a distribution is received. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material in the notes to the accounts.

Income received in advance of the provision of a service or entitlement is deferred until the criteria for income recognition are met and disclosed if material in the notes to the accounts.

Income from investments is included when receivable and the amount can be measured reliably, this is normally upon notification of the income by the investment manager.

1.6 Expenditure and 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 on charitable activities includes the costs of operating the College such as university fees, premises expenses, staff costs and associated support costs.

Support costs include office, administration and governance costs. These are noted below and included under the one charitable activity, namely the operating of the College of the Resurrection.

All costs and expenses include VAT where charged which is not recoverable by the charity.

1.7 Operating leases

The charity classifies the lease of printing and photocopying equipment as operating leases. The title to the equipment remains with the lessor and the equipment is replaced considerably before the end of the normal economic life of the equipment. Rental charges are recognised as expenditure on a straight line basis over the term of the lease.

1.8 Taxation

No corporation tax has been provided in these accounts because the trustees believe that the income and gains of the charity are within the exemptions granted by Chapters 2 and 3 of the Corporation Tax Act 2010.

1.9 Investments

Investments are stated at fair value (market value) at the reporting date.

All material investments held are within a professionally managed portfolio and have readily available market values.

1.10 Debtors

Debtors are recognised at the settlement amount due after any discount offered.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and any short term highly liquid investments and deposit accounts.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

1.13 Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently at their settlement value with the exception of bank loans which are measured at amortised cost using the effective interest method.

1.14 Pensions

The College participates in two pension schemes, one for stipendiary academic staff (CEFPS) and one for other academic and lay staff (CWPF), each scheme has been accounted for in these accounts as follows:

The College of the Resurrection participates in the Church of England Funded Pensions Scheme (CEFPS) for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Responsible Bodies. Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends. The scheme is considered to be a multi-employer scheme as described in section 28 of FRS 102. This means it is not possible to attribute the scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the scheme were a defined contribution scheme.

The pension costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus the figures highlighted in the table in note 10.

The College of the Resurrection also participates in the Pension Builder section of the Church Workers Pension Fund (CWPF). The scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the employer and other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from a member's Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme (see note 10).

2 Donations and legacies

	Unrestricted 2021 £	Total 2020 £
General donations	3,509	4,561
Legacies	95,615	10,000
Grants received	31,389	40,949
Total income from donations and legacies	130,513	55,510

The income from legacies refers to one legacy which was for the general purposes of the charity.

3 Income from charitable activities

	Unrestricted 2021 £	Total 2020 £
Operation of the College of the Resurrection:		
Housing account	47,749	53,525
Maintenance and tuition fees	414,264	463,892
Receipts from holidays and guests	6,924	11,028
Reimbursements	1,399	1,167
Sundry Income	20	915
Total income from charitable activities	470,356	530,527

		Unrestricted Total 2021 £	Total 2020 £
4 Investment income	note		
Income from Investments			
Income from investments	11	4,504	7,429
Bank interest receivable		--	21
		4,504	7,450

5 Expenditure on operating the College of the Resurrection

		Total 2021 £	Total 2020 £
College staff costs		289,529	305,579
Pension liability on past service cost	10	(12,000)	(51,000)
University fees and student expenses		66,885	103,073
Library and Mirfield Liturgical Institute		19,865	19,292
Premises and catering costs		195,851	192,847
Housing costs		22,127	29,248
Office and IT costs		23,516	22,801
Motoring and travel costs		3,668	5,103
Promotion		174	216
Professional fees		2,903	2,430
Governance costs		4,560	4,560
		617,078	634,149

All the above expenditure was incurred on the one charitable activity namely the College of the Resurrection.

6 Net gains/(losses) on investments

	Total 2021 £	Total 2020 £
Net realised gains/(losses) on investments	15,887	(3,657)
Net unrealised gains/(losses) on investments	15,198	(10,959)
	31,085	(14,616)

7 Net movements in funds for the year

Net movements in funds for the year is stated after charging:

	Total 2021 £	Total 2020 £
Operating leases - equipment	7,003	7,003
Auditors' remuneration: Audit fees	2,415	2,415
Accountancy services	2,145	2,145
Other professional services	--	1,200

8 Support costs

All support costs are incurred in the charity's one charitable purpose, operating the College.

	Total 2021 £	Total 2020 £
Admin Staff	73,889	81,956
IT costs	12,538	11,485
Other support costs	16,613	16,166
	103,040	109,607

9 Employees

The average monthly head count of employees was:

	2021 Number	2021 FTE	2020 Number	2020 FTE
Administration staff (No. staff members)	2	2	2	2
Teaching staff (No. staff members)	6	6	5	5
	<u>8</u>	<u>8</u>	<u>7</u>	<u>7</u>

The cost in respect of administration and teaching staff was:

	note	Total 2021 £	Total 2020 £
Wages and salaries		203,680	205,548
Social security costs		17,092	20,970
Employer's contribution to pensions			
Church of England Funded Pension Scheme	10	40,366	40,802
- reduction in liability on past service cost	10	(12,000)	(51,000)
Church Workers Pension Fund contributions	10	4,842	4,759
Staff training and allowances		26,987	31,064
Recruitment costs		<u>1,389</u>	<u>1,440</u>
		<u>282,356</u>	<u>253,583</u>

No remuneration or expenses were paid to any trustee in the year for duties as a trustee (see note 16).
No employee had emoluments exceeding £60,000 in the year or the comparative year.

The total remuneration paid to Key Management in the year was £63,330 (2020: £62,962)

10 Staff pensions

Church of England Funded Pension Scheme (CEFPS) (note 1.14)

The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2021: £40,366, 2020: £40,802).

A valuation is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- an average discount rate of 3.2 p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI 2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the following table.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in balance sheet liability over 2020 and over 2021 is set out in the table below.

	2021 £	2020 £
Balance sheet liability at 1 September	27,000	78,000
Deficit contribution paid	(12,000)	(10,000)
Interest cost	--	2,000
Remaining change to the liability*	--	(43,000)
Balance sheet liability at 31 August	15,000	27,000

* comprises the change in agreed deficit recovery plan, and change in discount rate and assumptions between the period ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% pa	1.1% pa	2.1% pa
Price inflation	3.1% pa	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, the Frere Educational Trust could become responsible for paying a share of that Responsible Body's pension liabilities.

Church Workers Pension Fund (CWPF) (note 1.14)

The pension costs charged to the Statement of Financial Activities in the year were contributions payable of £4,842 (2020: £4,759).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31st December 2020. For the Pension Builder Classic section, the valuation was a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, The Frere Educational Trust could become responsible for paying a share of that employer's pension liabilities.

11 Investments	Listed investments	Cash	Other Investments	Total £
Market value at 1 September 2020	201,314	2,812	100	204,226
Additions to investments at cost	7,814	(426)		7,388
Disposals	(92,881)			(92,881)
Net gain/(loss) on revaluation	15,198			15,198
Market value at 31 August 2021	<u>131,445</u>	<u>2,386</u>	<u>100</u>	<u>133,931</u>
Historical cost	<u>105,480</u>	<u>2,386</u>	<u>100</u>	<u>107,966</u>

	Total 2021 £	Total 2020 £
Classes of investments:		
Managed portfolio:		
Other UK bonds	22,366	47,800
Overseas bonds	8,544	8,460
Equities	100,535	145,054
Cash	2,386	2,812
Other investments	<u>100</u>	<u>100</u>
	<u>133,931</u>	<u>204,226</u>

All the above are managed and held in the UK.

Other investments are shares held in Christ Church St. Leonards On Sea House Improvement Society and are included at cost/probate value.

12 Debtors	Total 2021 £	Total 2020 £
Debtors from operating activities	838	1,951
	<u>838</u>	<u>1,951</u>

13 Creditors amounts falling due within one year	Total 2021 £	Total 2020 £
Creditors from operating activities and accruals	16,865	17,968
Taxation and social security	4,189	5,786
	<u>21,054</u>	<u>23,754</u>

14 Analysis of movements in unrestricted funds

	Funds as at 1 September 2020	Income	Expense	Gains/ (losses)	Transfers	Funds as at 31 August 2021
	£	£	£	£	£	£
General fund	203,270	605,373	(629,078)	31,085	--	210,650
Pension reserve	(27,000)	--	12,000	--	--	(15,000)
Total unrestricted	176,270	605,373	(617,078)	31,085	--	195,650

Analysis of movements in unrestricted funds - prior year

	Funds as at 1 September 2019	Income	Expense	Gains/ (losses)	Transfers	Funds as at 31 August 2020
	£	£	£	£		£
General fund	309,548	593,487	(685,149)	(14,616)	--	203,270
Pension reserve	(78,000)	--	51,000	--	--	(27,000)
Total unrestricted	231,548	593,487	(634,149)	(14,616)	--	176,270

The General fund is the principal fund of the Charity. The income produced is used to support the work of the College of the Resurrection.

Restricted funds

The Charity held no restricted funds during the year.

15 Analysis of net assets between funds

	General Fund £	Pension Reserve £	Total £
Investments	133,931	--	133,931
Current assets	97,773	--	97,773
Creditors falling due within one year	(21,054)	--	(21,054)
Liability on multi-employer defined benefit pension scheme	--	(15,000)	(15,000)
	210,650	(15,000)	195,650

Analysis of net assets between funds - prior year

	General Fund £	Pension Reserve £	Total £
Investments	204,226	--	204,226
Current assets	22,798	--	22,798
Creditors falling due within one year	(23,754)	--	(23,754)
Liability on multi-employer defined benefit pension scheme	--	(27,000)	(27,000)
	203,270	(27,000)	176,270

16 Related Party Transactions

The charity has taken advantage of the exemption, under the terms of Financial Reporting Standard 102 not to disclose related party transactions with its parent company, details of which are in note 18. The charity has also taken advantage of the exemptions under the same not to disclose services provided on a voluntary basis by trustees, contracts of employment between the charity and its employees, and repayment of any out-of-pocket expenses where the trustees or key management have acted as agent for the charity.

There were no other related party transactions in either 2020 or 2021. Details of key management personnel compensation can be found in note 9 above.

17 Operating lease commitments

Lessee

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Office equipment		
Not later than one year	5,784	6,936
Later than one year and not later than five years	--	5,784
	<u>5,784</u>	<u>12,720</u>

18 Parent undertaking

The ultimate parent undertaking and controlling party is The Community of the Resurrection which is incorporated in Great Britain and registered in England, number 247772. Registered charity no. 232670. Three of the trustees are members of The Community of the Resurrection, two of which are CR trustees. The Community of the Resurrection is an anglican religious community.

The consolidated financial statements of the group are available on the Charity Commission website and from The Bursar, The House of the Resurrection, Mirfield, West Yorkshire, WF14 0BN.

19 Auditors' ethical standards

In common with many organisations of our size and nature we use our auditors to prepare and submit returns to Companies House and the Charity Commission and assist with preparation of the financial statements and deal with the tax authorities.

The Frere Educational Trust
Analysis of surplus/(deficit) for the year
for the year ended 31 August 2021

This page does **not** form part of the accounts

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Student fees	414	464	441	429	366	514	500	490	387	323
Student rent	48	51	58	50	56	57	61	72	63	58
Receipts from guests	7	14	18	11	6	7	5	6	4	4
Expenses reimbursed	1	1	4	5	6	7	7	7	6	7
Other income	< 1	< 1	< 1	< 1	< 1	< 1	< 1	2	--	--
Total operating income	470	531	521	495	434	585	574	577	460	392
Operating excl. salaries/pension	340	380	370	355	334	394	382	377	325	262
Salaries and pensions	290	306	242	226	217	190	198	204	202	168
Total operating expenses	629	686	612	581	551	584	580	581	527	430
Operating surplus/(deficit)	(159)	(155)	(91)	(86)	(117)	1	(6)	(4)	(67)	(38)
Frere Fund grant	6	9	19	40	36	33	36	32	30	37
Additional grants	25	32	22	--	100	--	--	--	--	--
Income from investments	5	7	8	7	5	5	5	3	2	2
Legacies received	96	10	1	19	28	--	--	2	11	--
Donations	4	5	7	7	27	7	6	7	6	9
Building works	--	--	--	--	--	--	--	--	--	(19)
Investment movements	31	(14)	(1)	(1)	14	11	1	3	(1)	7
Pensions liability movement	12	51	(14)	14	15	--	--	--	--	--
Capital surplus/(deficit)	178	100	41	86	225	56	48	47	48	36
Net surplus/(deficit)	19	(55)	(50)	--	108	57	42	43	(19)	(2)

The Frere Educational Trust
 Analysis of Operating Expenses
 for the year ended 31 August 2021

Operating Expenses (note 5 in the accounts)	Total 2021 £		Total 2020 £
College staff costs	289,529	↓5.3%	305,579
Reduction in liability on past service cost	(12,000)	↑76.5%	(51,000)
University fees	36,640	↓55.6%	82,490
Student expenses	18,771	↑53.4%	12,233
YTEP Membership	11,474	↑37.4%	8,350
College Promotion	174	↓19.4%	216
Mirfield Liturgical Institute	4,876	↑0.2%	4,867
Library	14,989	↑3.9%	14,425
IT costs	12,538	↑9.2%	11,485
College premises costs	98,651	↑3.3%	95,501
Catering costs	97,200	↓0.1%	97,346
Housing costs	22,127	↓24.3%	29,248
Motor expenses	3,668	↓25.9%	4,950
Printing and stationery	8,509	↓12.5%	9,725
Postage and telephone	507	↓20.7%	639
Bank charges	134	↑57.6%	85
Travel and accommodation expenses	--	↓100.0%	153
Professional fees	2,903	↑19.5%	2,430
Audit fees	2,415	↑0.0%	2,415
Accountancy services	2,145	↑0.0%	2,145
Sundries	1,828	↑110.8%	867
	<u>617,078</u>	↓2.7%	<u>634,149</u>

This page does **not** form part of the main accounts