

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 2022

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The trustees present their annual report and the independently audited financial statements for the year ended 31 August 2022 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

Also known as: The College of the Resurrection

Trustees:

Father Oswin Gartside	CR	
Father George Paul Alfred Guiver	CR	
Brother Philip David John Nichols	CR	resigned 6 March 2022
The Very Rev'd Dr. Frances Ward		
The Venerable Father Luke Irvine-Capel		appointed 6 March 2022
Father Peter George Allan	CR	appointed 6 March 2022

Principal: The Right Rev'd Mark Sowerby

Secretary and Bursar:

Mrs Adele Hannah	resigned 21 January 2022	
Brother Philip David John Nichols	CR	appointed 7 March 2022

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 College sent out twelve students to be made deacon in the summer of 2021. The College recruited only 6 ordinands to join the College in September 2021. Of these two were women and four were men. Unfortunately one discovered residential training unsuitable for his needs and the overall College number was reduced to 19 for the remainder of the year. This low recruitment, though disappointing, reflected a reduction in the number of students recruited by all residential theological colleges. The overall number left the College well behind its aspirations for numerical growth by 2021.

From September 2021, all students have been enrolled upon ordination pathways based upon the Durham University (Common Awards) qualifications. With the departure of The Revd Canon Cathy Rowling as Interim Dean of Pastoral Studies and the eventual departure of The Revd Dr Ben Gordon Taylor after an extended period of ill health, the College was joined by The Revd David Babbington MA (Dean of Pastoral Studies) and The Revd Dr Jo Kershaw (Lecturer in Liturgy). Dr Kershaw was appointed on a 0.5 fte basis, but has since been appointed to a full time role with effect from September 2022.

The College was sorry to lose Mrs Adele Hannah as Bursar during the year but grateful to Br Philip CR and Mrs Lindsay Wilson for providing cover in the Bursary until an appropriate structural review has been completed.

With the assistance of external tutors, Dr Kershaw has supervised the launching of a new MA (Common Awards) in Worship & Liturgical Studies. This is entirely taught online. Whilst initial intake has been modest, it is hoped that a greater number of students can be built up with advertising.

In March 2022 the Quality in Formation Panel began to conduct a Periodic External Review and its Report of the College is due to be published before the end of 2022. This will highlight the need for a new business plan and make a number of recommendations as well as offer ten commendations.

### **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 £282,976 (2021: £414,264). This income is directly driven by student numbers. Additional income from provision of housing, receipts from guests and reimbursements for the year was: £82,674 (2021: £56,092).

Income generated by investments in the year was: £3,317 (2021: £4,504).

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 £4,704 (2021: £3,509) and legacies of £14,085 (2021: £95,615).

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 £8,678 (2021: £9,306).

A further grant to support operation of the College was received in the year of £120,000 (2021: £nil).

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 (2021: £25,000).

Following accounting standard FRS 102, the Charity recognises its obligations under the Church of England Funded Pensions Scheme of £8,000 (2021: £15,000). 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.

### **Reserves and funds**

The General Fund, which is the operating fund of the Charity, held £140,585 as at 31 August 2022, after allowing for the potential liability arising on the multi-employer defined benefit pension scheme, this represents 7 weeks expenditure out of the 30-week term time, and 13 weeks of annual average expenditure.

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

This remains below the reserve policy of maintaining reserves at a level not below £200,000.

The trustees have a guarantee from the parent charity to underwrite the charity as may be necessary for the next two academic years. The trustees have undertaken with the College Council to produce Business and Financial plans in place to address the dependence on subventions from the parent charity.

### **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 has been 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.

Conversations have begun with St Hild College to enable the College to provide a new joint pathway for ordinands that will combine residential aspects of a Mirfield training with the contextual training associated with St Hild College.

### **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, four student representatives and other members with business, legal, educational and clerical experience.

Subcommittees are in place for Finance and General Purposes and Staffing.

Management Team meetings are held regularly 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 19 December 2022 and signed on their behalf by:

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**Father Oswin Gartside CR**  
**Trustee**  
**Frere Educational Trust**



## Opinion

We have audited the financial statements of The Frere Educational Trust for the year ended 31 August 2022 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 2022 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.

## Emphasis of matter - going concern and the impact of low recruitment numbers

In forming our opinion on the charitable company's financial statements, which is not modified, we draw your attention to the directors' consideration of the going concern basis of preparation in note 1.4 to the financial statements and the dependency upon the support of the parent company.

## 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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 the financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

To help us identify instances of non-compliance with laws and regulations that might have a material effect on the financial statements, and in identifying and assessing the risks of material misstatement in respect to non-compliance, or procedures included, but were not limited to:

- Making enquiries of management and, where appropriate, those charged with governance, as to whether the charitable company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Charities Act 2011 and the Companies Act 2006.

Based on our understanding of the charitable company and its sector, we identified that the principal risks of non-compliance with laws and regulations related to UK Charity Law and Safeguarding regulations. We considered the extent to which non-compliance might have a material effect on the financial statements, as well as those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements including the risk of override of controls and determined that the principal risks were related to the size of the organisation (being small means less opportunity for segregating duties and oversight) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of internal controls established to mitigate risks related to fraud;
- Discussion amongst the engagement team around the risks of fraud;
- Evaluating and responding to the high risk of management override of controls by performing suitable tests over areas such as accounting entries;
- Substantively testing areas susceptible to fraud and manipulation, such as revenue recognition.

There are inherent limitations in the audit procedures. Auditing standards limit the audit procedures to identify non-compliance with laws and regulations, the further that particular laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

As with any audit, there remains a risk of non-detection of irregularities, as these can involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with the trustees.

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](http://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.

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

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13 January 2023

20 Owl Lane, Dewsbury WF12 7RQ

The Frere Educational Trust  
Statement of Financial Activities  
and Summary Income and Expenditure Account  
for the year ended 31 August 2022

Company Registration No. 246351  
Charity Registration No. 529320

		<b>Unrestricted</b>	
	<b>Note</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Income from:</b>			
Donations and legacies	<b>2</b>	172,467	130,513
Charitable activities:			
Operation of the College of the Resurrection	<b>3</b>	365,650	470,356
Investments	<b>4</b>	3,317	4,504
<b>Total income</b>		<b>541,434</b>	<b>605,373</b>
<b>Expenditure on:</b>			
Charitable activities:			
Operation of the College of the Resurrection	<b>5</b>	583,484	617,078
<b>Total expenditure</b>		<b>583,484</b>	<b>617,078</b>
<b>Net income/(expenditure) before movement on investments</b>		<b>(42,050)</b>	<b>(11,705)</b>
Net gains/(losses) on investments	<b>6</b>	(13,015)	31,085
<b>Net income/(expenditure)</b>		<b>(55,065)</b>	<b>19,380</b>
<b>Net movement in funds</b>	<b>7, 14</b>	<b>(55,065)</b>	<b>19,380</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		195,650	176,270
<b>Total funds carried forward</b>		<b>140,585</b>	<b>195,650</b>

		<b>Unrestricted</b>	
		<b>Total</b>	<b>Total</b>
		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Fixed assets:</b>			
Investments	<b>11</b>	120,153	133,931
<b>Total fixed assets</b>		<b>120,153</b>	<b>133,931</b>
<b>Current assets</b>			
Debtors	<b>12</b>	1,171	838
Cash at bank and in hand		54,516	96,935
<b>Total current assets</b>		<b>55,687</b>	<b>97,773</b>
<b>Liabilities: creditors falling due within one year</b>	<b>13</b>	(27,255)	(21,054)
<b>Net current assets/(liabilities)</b>		<b>28,432</b>	<b>76,719</b>
<b>Total assets less current liabilities</b>		<b>148,585</b>	<b>210,650</b>
Liability arising on multi-employer defined benefit pension scheme re past services	<b>10</b>	(8,000)	(15,000)
<b>Net assets</b>		<b>140,585</b>	<b>195,650</b>
<b>The funds of the charity:</b>			
Unrestricted income funds	<b>14</b>	140,585	195,650
<b>Total charity funds</b>		<b>140,585</b>	<b>195,650</b>

The notes on pages 14 to 24 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 19 December 2022 and signed on their behalf by:

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**Father Oswin Gartside CR**  
**Trustee**  
**Frere Educational Trust**

	<b>note</b>	<b>Total 2022</b>	<b>Total 2021</b>
		<b>£</b>	<b>£</b>
Cash flows from operating activities			
Net movement in funds		(55,065)	19,380
(Gains)/losses on investments		13,015	(31,085)
Investment income		(3,317)	(4,504)
Decrease (increase) in debtors		(333)	1,113
Increase (decrease) in creditors		6,201	(2,700)
Increase (decrease) in pensions liability		(7,000)	(12,000)
Net cash used in operating activities		(46,499)	(29,796)
Cash flows from investing activities:			
Investment income		3,317	4,504
Proceeds from sale of investments		11,116	109,194
Purchase of investments		(10,353)	(7,814)
Net cash provided by (used in) investing activities		4,080	105,884
Change in cash and cash equivalents in the reporting period		(42,419)	76,088
Cash and cash equivalents at the beginning of the period		96,935	20,847
Cash and cash equivalents at the end of the period		<u>54,516</u>	<u>96,935</u>
Reconciliation of cash and cash equivalents			
Bank and cash in hand		54,516	96,935
Total cash and cash equivalents		<u>54,516</u>	<u>96,935</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, with the support of its parent charity, to continue in operation.

The trustees therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

The long-term future of residential training and therefore the College is less certain.

Financially the College is dependent upon student numbers and the continued support of its parent charity. The Community of the Resurrection has given an undertaking to fund future deficits of the Frere Educational Trust for the next two academic years. During the coming year 2022-23 the College will produce a business plan setting out its future path.



## 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.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections:
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on 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. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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

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

## 2 Donations and legacies

	Unrestricted 2022 £	Total 2021 £
General donations	4,704	3,509
Legacies	14,085	95,615
Grants received from parent charity	128,678	6,389
Other grants received	25,000	25,000
<b>Total income from donations and legacies</b>	<b>172,467</b>	<b>130,513</b>

The income from legacies refers to two legacies which were for the general purposes of the charity.

## 3 Income from charitable activities

	Unrestricted 2022 £	Total 2021 £
<b>Operation of the College of the Resurrection:</b>		
Housing account	55,883	47,749
Maintenance and tuition fees	282,976	414,264
Receipts from guests and out of term	10,609	6,924
Staff services	13,858	--
Reimbursements	1,360	1,399
Sundry Income	964	20
<b>Total income from charitable activities</b>	<b>365,650</b>	<b>470,356</b>

4	Investment income	note	Unrestricted	Total
			Total	2021
			2022	2021
			£	£
	<b>Income from Investments</b>			
	Income from investments	11	3,312	4,504
	Bank interest receivable		5	--
			<b>3,317</b>	<b>4,504</b>

5	Expenditure on operating the College of the Resurrection		Total	Total
			2022	2021
			£	£
	College staff costs		315,400	289,529
	Pension liability on past service cost	10	(7,000)	(12,000)
	University fees and student expenses		30,205	66,885
	Library and Mirfield Liturgical Institute		18,801	19,865
	Premises and catering costs		172,897	195,851
	Housing costs		20,192	22,127
	Office and IT costs		23,543	23,516
	Motoring and travel costs		2,982	3,668
	Promotion		137	174
	Professional fees		1,647	2,903
	Governance costs		4,680	4,560
			<b>583,484</b>	<b>617,078</b>

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

6	Net gains/(losses) on investments	Total	Total
		2022	2021
		£	£
	Net realised gains/(losses) on investments	<b>2,038</b>	15,887
	Net unrealised gains/(losses) on investments	<b>(15,053)</b>	15,198
		<b>(13,015)</b>	<b>31,085</b>

7	Net movements in funds for the year		Total	Total
			2022	2021
			£	£
	Operating leases - equipment		7,003	7,003
	Auditors' remuneration: Audit fees		2,435	2,415
	Accountancy services		2,245	2,145

## 8 Support costs

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

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Admin Staff	46,948	73,889
IT costs	12,581	12,538
Other support costs	16,334	16,613
	<u>75,863</u>	<u>103,040</u>

## 9 Employees

The average monthly head count of employees was:

	<b>2022 Number</b>	<b>2022 FTE</b>	<b>2021 Number</b>	<b>2021 FTE</b>
Administration staff (No. staff members)	2	2	2	2
Teaching staff (No. staff members)	6	6	6	6
	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>

The cost in respect of administration and teaching staff was:

	<b>note</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Wages and salaries		223,482	203,680
Social security costs		19,201	17,092
Employer's contribution to pensions			
Church of England Funded Pension Scheme	10	44,919	40,366
- reduction in liability on past service cost	10	(7,000)	(12,000)
Church Workers Pension Fund contributions	10	5,493	4,842
Staff training and allowances		23,267	26,987
Recruitment costs		107	1,389
		<u>309,469</u>	<u>282,356</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 £48,177 (2021: £63,330)

## 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 (2022: £44,919, 2021: £40,366).

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 2019, 31 December 2020 and 31 December 2021 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 2021 and over 2022 is set out in the table below.

	2022 £	2021 £
Balance sheet liability at 1 September	15,000	27,000
Deficit contribution paid	(6,000)	(12,000)
Remaining change to the liability*	(1,000)	--
Balance sheet liability at 31 August	8,000	15,000

\* 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 but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021	December 2020	December 2019
Discount rate	0.0% pa	0.2% pa	1.1% pa
Price inflation	n/a	3.1% pa	2.8% pa
Increase to total pensionable payroll	-1.5% pa	1.6% pa	1.3% 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 £5,493 (2021: £4,842).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m 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	<b>Total</b> £
Market value at 1 September 2021	131,445	2,386	100	133,931
Additions to investments at cost	10,052	301		10,353
Disposals	(9,118)			(9,118)
Net gain/(loss) on revaluation	(15,012)			(15,013)
Market value at 31 August 2022	<u>117,367</u>	<u>2,687</u>	<u>100</u>	<u>120,153</u>

Historical cost	<u>106,454</u>	<u>2,687</u>	<u>100</u>	<u>109,241</u>
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	<b>Total</b> <b>2022</b> £	Total 2021 £
Classes of investments:		
Managed portfolio:		
UK bonds	7,197	22,366
Overseas bonds	18,391	8,544
Equities	91,778	100,535
Cash	2,687	2,386
Other investments	<u>100</u>	<u>100</u>
	<u>120,153</u>	<u>133,931</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.

<b>12 Debtors</b>	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Debtors from operating activities	1,171	838
	<u>1,171</u>	<u>838</u>
<b>13 Creditors amounts falling due within one year</b>	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Creditors from operating activities and accruals	22,194	16,865
Taxation and social security	5,061	4,189
	<u>27,255</u>	<u>21,054</u>

**14 Analysis of movements in unrestricted funds**

	<b>Funds as at 1 September 2021</b>	<b>Income</b>	<b>Expense</b>	<b>Gains/ (losses)</b>	<b>Transfers</b>	<b>Funds as at 31 August 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General fund	210,650	541,434	(590,484)	(13,015)	--	148,585
Pension reserve	(15,000)	--	7,000	--	--	(8,000)
Total unrestricted	<u>195,650</u>	<u>541,434</u>	<u>(583,484)</u>	<u>(13,015)</u>	<u>--</u>	<u>140,585</u>

**Analysis of movements in unrestricted funds - prior year**

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

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**

	<b>General Fund £</b>	<b>Pension Reserve £</b>	<b>Total £</b>
Investments	120,153	--	120,153
Current assets	55,687	--	55,687
Creditors falling due within one year	(27,255)	--	(27,255)
Liability on multi-employer defined benefit pension scheme	--	(8,000)	(8,000)
	<u>148,585</u>	<u>(8,000)</u>	<u>140,585</u>

**Analysis of net assets between funds - prior year**

	<b>General Fund £</b>	<b>Pension Reserve £</b>	<b>Total £</b>
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)
	<u>210,650</u>	<u>(15,000)</u>	<u>195,650</u>

**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 2021 or 2022. 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:

	<b>2022 £</b>	<b>2021 £</b>
Office equipment		
Not later than one year	<u>1,350</u>	<u>5,784</u>
	1,350	5,784

**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.