



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 2023



Forrest Burlinson

CHARTERED ACCOUNTANTS &
REGISTERED AUDITORS

www.info@forrestburlinson.co.uk

Contents:

Trustees' Annual Report (including Statement of Trustees' Responsibilities)	Pages 1 - 6
Independent Auditor's Report	Pages 7 - 10
Statement of Financial Activities	Page 11
Balance Sheet	Page 12
Statement of Cash Flows	Page 13
Notes to the Financial Statements	Pages 14 - 23

The trustees present their annual report and the independently audited financial statements for the year ended 31 August 2023 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

Also known as: The College of the Resurrection
Company Registration Number: 246351
Charity Registration Number: 529320

Trustees/Directors:

Father Oswin Gartside CR (Chair)
Father Peter George Allan CR
Father George Paul Alfred Guiver CR
The Venerable Father Luke Irvine-Capel
The Very Rev'd Dr. Frances Ward

College Council:

The Rt Rev'd David Walker (Chair)		retired 21 February 2023
The Rt Rev'd Anthony Robinson (Acting Chair)	⊙	
The Venerable Justine Allain-Chapman	⊙	
Canon David Arnold		
The Rev'd Dr. Sarah Farrimond		
Father Oswin Gartside CR (ex-officio Trustee)	⊙	
Father George Paul Alfred Guiver CR (ex-officio Trustee)		
Lay Canon Mrs. Zahida Mallard	⊙	
Sir Richard Mantle OBE	⊙	
The Rev'd Canon Professor Kenneth GC Newport	⊙	appointed 21 February 2023
Ms. Jenny Price		
The Rev'd Dr. Alastair Prince		
Father Thomas Seville CR (ex-officio The Community of the Resurrection)		
The Rt Rev'd Mark Sowerby (ex-officio College Principal)	⊙	
The Rev'd Dr. Janet Williams (ex-officio St. Hild College)		

Student representatives:

Joshua Pollard
Charles Shefford
Joseph Barnes
Joshua Harris

⊙ - indicates a Finance & General Purposes Committee member

Principal:	The Rt Rev'd Mark Sowerby	
Secretary:	Brother Philip David John Nichols CR	
Bursar:	Brother Philip David John Nichols CR	resigned 23 February 2023
	Mrs. Adele Hannah	appointed 1 March 2023

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	3 Wellington Place, Leeds, LS1 4AP
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 ten students to be made deacon in the summer of 2022 and another student opted to continue training elsewhere. Of those leaving to be ordained deacon, four were women. The College recruited 6 new students to begin training in September of 2022, all of them men. In January of 2023, a further ordinand joined us from another institution. From then until the end of the academic year, the College stood at 15 students, just two of whom were women.

The College has continued to work productively with Durham University via the *Yorkshire Theological Education Partnership (YTEP)*. Judging by comments made by the Board of Examiners, especially in relation to dissertations, the University is very pleased with the performance of our students. Students have continued to take part in established ecumenical placement schemes and two students were expecting to be in Bossy and Rome in the autumn of 2023.

The number of students is significantly below the College's aspiration but reflects a number of problems facing theological Training Institutions in general and residential Colleges in particular: The number of ordinands entering training has declined and does not appear to be recovering after the Covid19 pandemic has receded; the proportion of ordinands training residentially is in decline. The number of ordinands generated by the catholic tradition of the Church of England is relatively weak. For the number of students being recommended for training and entering residential training, there is considerable overcapacity in the system. The College of the Resurrection has not seen a slump in 'market share' and has been recruiting at similar levels to historically larger colleges but the 'market' is much smaller than previously. It is not impossible that the House of Bishops, or its Ministry Council may choose to make some strategic intervention.

The College has received its 2022 Periodic External Review Report, which offered ten commendations as well as twenty three recommendations. Each of the recommendations has been addressed and on May 15th 2023, the Senior Reviewer assured the Principal and Staff that she was entirely satisfied by our responses and progress in meeting the recommendations. The recommendations included the need for a new Governance Manual, the need for a business plan and the need to seek additional income through diversification. The Governance Manual is with legal advisors. A Business Plan has been proposed. Plans for diversification are included under Future Plans below.

Financial review

The charity's main source of funding is from fees for the education, formation and training of ordinands for the Church of England.

Income from maintenance and tuition fees for the year was £273,317 (2022: £282,976). This income is directly driven by student numbers. Additional income from the provision of housing, receipts from guests and other income for the year was: £78,989 (2022: £82,674).

Income generated by investments in the year was: £1,341 (2022: £3,317). This has been much reduced due to the need to liquidate investments in the year to fund the deficit.

The investment strategy has been 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 £4,358 (2022: £4,704) and legacies of £7,559 (2022: £14,085).

The annual grant from The Community of the Resurrection (the parent charity), which represents the income from investments transferred to the parent charity, was £9,177 (2022: £9,306).

No further grant to support operation of the College was required in the year (2022: £120,000).

The Frere Educational Trust also received a £9,755 grant from the Church of England to help meet the rises in energy prices.

Reserves and funds

The General Fund, which is the operating fund of the charity, held £3,308 as at 31 August 2023.

The trustees recognise that this level of reserves is clearly inadequate and have obtained an undertaking from the parent charity, The Community of the Resurrection to help with funding deficits whilst the business plan is implemented.

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

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

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

Diversification

- The College has partnered with St Hild College, based on the same site, to provide jointly an ordination pathway that combines residential aspects of the College of the Resurrection with the contextual training pedagogy which is familiar to St Hild. Whilst this received a broad welcome at its launch, there have been no students registered for the present academic year.
- Some College teaching modules are to be opened to a general body of external students e.g. *An Introduction to New Testament Greek* and *Transforming Conflict*. These will generate a small additional income stream and raise the profile of the College.
- An MA course in Worship and Liturgical Studies was launched in September 2022 and has 9 students now registered. This course is taught entirely online and has a potential to grow the number of international students (3 continents are presently represented). This, again, generates a modest additional income stream but with potential to grow.
- The College is in negotiations to offer a degree course that will at the same time offer a pathway to ordination and to Qualified Teacher Status. Initial conversations have been very positive, and we await the outcome of university committee decisions. Whilst the most likely date for beginning to teach such a programme is September 2025. If successful, this development should produce an increased number of resident students and a fresh income stream.

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 it 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 directed to appropriate Charity Commission publications.

The trustees have delegated some responsibilities, in particular, oversight of the running of the College to the College Council. The members of the Council are named above and have served throughout the year except where indicated. Four student representatives also sit on the Council.

The Chair of the College Council is appointed by the trustees in consultation with the Archbishop of York and the Chair of the Ministry Division of the Archbishops' Council.

Ex-officio members of the Council are appointed on behalf of their respective bodies which are currently The Community of the Resurrection and St. Hild College.

Other appointments to the Council are made following recommendations by a Nominations Committee according to their experience and skills in areas such as HR, law, finance, education and business.

The Council have a Finance and General Purposes subcommittee and a Staffing subcommittee.

Day-to-day management of the College is the responsibility of the Principal of the College and his staff. As part of being integral to the Life of the College, the Community of the Resurrection provides spiritual and pastoral support, as well as support in administration, finance, estate management and some teaching.

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 National Ministry Team of the Church of England;
- St. Hild College;
- The Yorkshire Theological Education Partnership;
- The University of Durham under the Common Awards Partnership;
- The Leeds Diocesan School of Ministry.

The Community of the Resurrection

The Frere Educational Trust 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, and meets the day to day running costs of these buildings.

Some of the expenditure of the charity is incurred by the Community and recharged on an agreed basis.

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 December 2023 and signed on their behalf by:

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 2023 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 2023 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 dependency on support of the parent company

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.

The Community of the Resurrection has given an undertaking to provide sufficient financial support to the Frere Educational Trust for a period sufficient for the directors to consider the charity a going concern.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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. 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.

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

11 December 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 2023

Company Registration No. 246351
Charity Registration No. 529320

		Unrestricted	
	Note	Total	Total
		2023	2022
		£	£
Income from:			
Donations and legacies	2	30,849	172,467
Charitable activities:			
Operation of the College of the Resurrection	3	352,306	365,650
Investments	4	1,341	3,317
Total income		384,496	541,434
Expenditure on:			
Charitable activities:			
Operation of the College of the Resurrection	5	517,457	583,484
Total expenditure		517,457	583,484
Net income/(expenditure) before movement on investments		(132,961)	(42,050)
Net gains/(losses) on investments	6	(4,316)	(13,015)
Net income/(expenditure)		(137,277)	(55,065)
Net movement in funds	7, 14	(137,277)	(55,065)
Reconciliation of funds:			
Total funds brought forward		140,585	195,650
Total funds carried forward		3,308	140,585

		Unrestricted	
		Total	Total
		2023	2022
	Note	£	£
Fixed assets:			
Investments	11	100	120,153
Total fixed assets		100	120,153
Current assets			
Debtors	12	19,159	1,171
Cash at bank and in hand		9,831	54,516
Total current assets		28,990	55,687
Liabilities: creditors falling due within one year	13	(25,782)	(27,255)
Net current assets/(liabilities)		3,208	28,432
Total assets less current liabilities		3,308	148,585
Liability arising on multi-employer defined benefit pension scheme re past services	10	--	(8,000)
Net assets		3,308	140,585
The funds of the charity:			
Unrestricted income funds	14	3,308	140,585
Total charity funds		3,308	140,585

The notes on pages 14 to 23 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 December 2023 and signed on their behalf by:

Father Oswin Gartside CR
Trustee
Frere Educational Trust

	note	Total 2023	Total 2022
		£	£
Cash flows from operating activities			
Net movement in funds		(137,277)	(55,065)
(Gains)/losses on investments		4,316	13,015
Investment income		(1,341)	(3,317)
Decrease (increase) in debtors		(17,988)	(333)
Increase (decrease) in creditors		(1,473)	6,201
Increase (decrease) in pensions liability		(8,000)	(7,000)
Net cash used in operating activities		<u>(161,763)</u>	<u>(46,499)</u>
Cash flows from investing activities:			
Investment income		1,341	3,317
Proceeds from sale of investments		119,812	11,116
Purchase of investments		<u>(4,075)</u>	<u>(10,353)</u>
Net cash provided by (used in) investing activities		117,078	4,080
Change in cash and cash equivalents in the reporting period		(44,685)	(42,419)
Cash and cash equivalents at the beginning of the period		54,516	96,935
Cash and cash equivalents at the end of the period		<u>9,831</u>	<u>54,516</u>
Reconciliation of cash and cash equivalents			
Bank and cash in hand		9,831	54,516
Total cash and cash equivalents		<u>9,831</u>	<u>54,516</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 medium to 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 six academic years. Work on a business plan is a top priority.

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 were stated at fair value (market value) at the prior year reporting date.

All material investments were held within a professionally managed portfolio and had readily available market values. During the year the charity disposed of its investment portfolio in order to meet the costs of running the college.

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.

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. 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 2023 £	Total 2022 £
General donations	4,358	4,704
Legacies	7,559	14,085
Grants received from parent charity	9,177	128,678
Other grants received	9,755	25,000
Total income from donations and legacies	30,849	172,467

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

3 Income from charitable activities

	Unrestricted 2023 £	Total 2022
Operation of the College of the Resurrection:	£	£
Housing account	62,345	55,883
Maintenance and tuition fees	273,317	282,976
Receipts from guests and out of term	13,797	10,609
Staff services	--	13,858
Reimbursements	1,580	1,360
Sundry Income	1,267	964
Total income from charitable activities	352,306	365,650

4 Investment income

		Unrestricted Total 2023 £	Total 2022
Income from Investments		£	£
Income from investments	11	1,102	3,312
Bank interest receivable		239	5
		1,341	3,317

5 Expenditure on operating the College of the Resurrection

	Total 2023 £	Total 2022 £
College staff costs	243,906	315,400
Pension liability on past service cost 10	(8,000)	(7,000)
Accreditation and fees	27,880	30,205
Library and Mirfield Liturgical Institute	6,622	18,801
Premises and catering costs	172,695	172,897
Housing costs	34,132	20,192
Office and IT costs	23,903	23,543
Motoring and travel costs	3,363	2,982
Promotion	90	137
Bursary service charges	6,683	-
Professional fees	963	1,647
Governance costs	5,220	4,680
	517,457	583,484

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

6 Net gains/(losses) on investments

	Total 2023 £	Total 2022 £
Net realised gains/(losses) on investments	6,596	2,038
Net unrealised gains/(losses) on investments	(10,912)	(15,053)
	(4,316)	(13,015)

7 Net movements in funds for the year

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

	Total 2023 £	Total 2022 £
Operating leases - equipment	7,003	7,003
Auditors' remuneration: Audit fees	2,920	2,435
Accountancy services	2,300	2,245

8 Support costs

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

	Total 2023 £	Total 2022 £
Admin Staff	32,161	37,565
IT costs	12,984	12,581
Other support costs	23,059	16,334
	68,204	66,480

9 Employees

The average monthly head count of employees was:

	2023 Number	2023 FTE	2022 Number	2022 FTE
Administration staff (No. staff members)	1	1	2	2
Teaching staff (No. staff members)	5	5	6	6
	6	6	8	8

The cost in respect of teaching and administration staff was:

	note	Total 2023 £	Total 2022 £
Wages and salaries		174,109	223,482
Social security costs		15,083	19,201
Employer's contribution to pensions			
Church of England Funded Pension Scheme	10	33,347	44,919
- reduction in liability on past service cost	10	(8,000)	(7,000)
Church Workers Pension Fund contributions	10	2,594	5,493
Staff training and allowances		20,156	23,267
Recruitment costs		--	107
		237,289	309,469

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 £43,601 (2022: £48,177)

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 (2023: £33,347, 2022: £44,919).

A valuation is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7 p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI 2020 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% pa and an allowance for 2020 data of 0% (i.e. w2020=0%).

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) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As of 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 August 2023 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2023 £	2022 £
Balance sheet liability at 1 September	8,000	15,000
Deficit contribution paid	(6,000)	(6,000)
Remaining change to the liability*	(2,000)	(1,000)
Balance sheet liability at 31 August	--	8,000

* 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. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan are already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	-1.5% 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 £2,594 (2022: £5,493).

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 was 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 10.1% following improvements in the funding position over 2022. 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	Total £
Market value at 1 September 2022	117,366	2,687	100	120,153
Additions to investments at cost	4,075			4,075
Disposals	(110,527)	(2,687)		(113,214)
Net gain/(loss) on revaluation	(10,914)			(10,914)
Market value at 31 August 2023	--	--	100	100
Historical cost	--	--	100	100

	Total 2023 £	Total 2022 £
Classes of investments:		
Managed portfolio:		
UK bonds	--	7,197
Overseas bonds	--	18,392
Equities	--	91,778
Cash	--	2,687
Other investments	100	100
	<u>100</u>	<u>120,154</u>

During the year the charitable company liquidated its investment portfolio in order to meet operating costs. 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 2023 £	Total 2022 £
Debtors from operating activities	15,832	1,171
Gift Aid due from HMRC	621	--
Prepayments	2,706	--
	<u>19,159</u>	<u>1,171</u>

13 Creditors amounts falling due within one year

	Total 2023 £	Total 2022 £
Creditors from operating activities and accruals	21,330	22,194
Taxation and social security	4,452	5,061
	<u>25,782</u>	<u>27,255</u>

14 Analysis of movements in unrestricted funds

	Funds as at 1 September 2022	Income	Expense	Gains/ (losses)	Transfers	Funds as at 31 August 2023
	£	£	£	£	£	£
General fund	148,585	384,496	(525,457)	(4,316)	--	3,308
Pension reserve	(8,000)	--	8,000	--	--	--
Total unrestricted	140,585	384,496	(517,457)	(4,316)	--	3,308

Analysis of movements in unrestricted funds - prior year

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

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	100	--	100
Current assets	28,990	--	28,990
Creditors falling due within one year	(25,782)	--	(25,782)
Liability on multi-employer defined benefit pension scheme	--	--	--
	3,308	--	3,308

Analysis of net assets between funds - prior year

	General Fund	Pension Reserve	Total
	£	£	£
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)
	148,585	(8,000)	140,585

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 2022 or 2023. 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:

	2023	2022
	£	£
Office equipment		
Not later than one year	2,500	1,350
between two and five years	2,500	--
	<u>5,000</u>	<u>1,350</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.