

THE COLLEGE FOUNDATION

ANNUAL REPORT

For the year ended 30th April 2020

REGISTERED CHARITY NUMBER: 1149142

REGISTERED COMPANY NUMBER 7219292

THE COLLEGE FOUNDATION

ANNUAL REPORT

For the year ended 30th April 2020

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THE COLLEGE FOUNDATION**REPORT OF THE TRUSTEES****For the year ended 30th April 2020**

The Trustees present their annual report for the year ended 30th April 2020 under the Charities Act 2012, together with the financial statements for the year, and confirm that the latter comply with the requirements of both the Act and the Charities SORP 2005.

Reference and Administrative Information

The College Foundation (The Foundation) is a company limited by guarantee registered as a charity (number 1149142) on 28 September 2012. The Foundation's principal address is:

The College Foundation
C/o Cheltenham College
Bath Road
Cheltenham
Gloucestershire
GL53 7LD

Trustees

Those who served as Trustees during the full year were:

Mr P Hammerson

Mr E Rowland

Secretary & Treasurer

Mr P Holden

THE COLLEGE FOUNDATION**REPORT OF THE TRUSTEES****For the year ended 30th April 2020**
(continued)**Professional Advisors and Addresses****Bankers:**

Lloyds Bank Plc
47 Milsom Street
Bath
Avon
BA1 1DN

Solicitors:

Harrison Clark Rickerbys Ltd
Ellenborough House
Wellington Street
Cheltenham
Gloucestershire
GL50 1YD

STRUCTURE, GOVERNANCE AND MANAGEMENT**Governing Document**

The Foundation is incorporated by the provisions of the Memorandum and Articles on 11 April 2010.

TRUSTEES

The Foundation requires a minimum of 2 Trustees.

Trustee-training

New trustees are inducted into the workings of the Foundation, including its Policy and Procedures, by the Secretary on appointment.

Organisational Management

The trustees hold meetings to determine policy, grants and awards for the subsequent academic year, to review the performance of the Foundation and approve the financial statements.

Organisational Structure and Relationships

The Foundation is managed independently from Cheltenham College, but is reliant upon it administratively. The Charities SORP 2005 and FRS 2 rules indicate that the Foundation should not be regarded as a subsidiary of Cheltenham College for accounting purposes and so its assets are not consolidated with those of the College.

Risk Management

The trustees have examined the principal areas of the Foundation's operations and considered the major risks faced in each of these areas.

In the opinion of the trustees, the Foundation has established resources and review systems which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operations.

THE COLLEGE FOUNDATION**REPORT OF THE TRUSTEES****For the year ended 30th April 2020**
(continued)**OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES****Objective and Policy**

The objective of the Foundation is to advance and further the education and learning at, or in connection with, Cheltenham College.

Strategic Aim and Intended Effect

The Foundation currently holds one restricted fund which is maintained in line with the donor's specific intended effect. The trustees ensure that the expenditure of funds is in keeping with any constraints imposed, if any, by the donor. The trustees will normally only make expenditure from a restricted fund when sufficient resources have accrued to fund such an award.

The accounts of the Foundation incorporate the following specific fund:

- A Scholarship Fund established by C Tinson Esq to provide financial support to pupils for music. Grant applications may be made to support a range of activities; these might include additional voice or instrument tuition, specialist choral courses, the purchase or hire of musical instruments and the like.

Grant Making Policy

The College Foundation is a grant-making Foundation, supporting the advancement of education at Cheltenham College. It is the policy of the trustees to make grants that meet this objective and in line with the wishes of donors.

Grants are made to Cheltenham College or to support pupils attending the College. The Trustees consider proposals for the award of grants and release resources from Restricted Funds to qualifying projects.

Principal Activities & Public Benefit

The trustees confirm that they have complied with the duty contained in section 17 of the Charities Act 2011 to have due regards to public benefit guidance published by the Charity Commission.

REVIEW OF ACTIVITIES AND FINANCIAL RESULTS FOR THE YEAR**Restricted Fund**

The Foundation continues to enrich the educational experience of music students at Cheltenham College by way of hiring out its fleet of Steinway pianos; this has been achieved by using restricted funds in line with the donor's wishes, supplemented with a long-term bank loan.

Bank interest and other admin costs were applied to the fund which closed at £18,444

Unrestricted Fund

Dividend income of £10 was applied during the year; however the value of the investments fell by £96 due to uncertainty in the current economic climate, leading to a fund balance carried forward of (£51).

THE COLLEGE FOUNDATION**REPORT OF THE TRUSTEES****For the year ended 30th April 2020****(continued)****Reserves Policy**

The Restricted Funds are held to provide financial support for pupils at Cheltenham College. There are sufficient reserves held to cover any awards made by the trustees.

The Unrestricted Funds are retained to provide working capital and to provide financial support at the discretion of the trustees. Reserves will normally continue to be accrued to supplement the restricted funds that are being raised for specific purposes due to be executed in the future.

Trustees Financial Overview

The Foundation's financial position at the balance sheet date is sound and it can meet its commitments.

FUTURE PLANS

The Trustees expect The Foundation to continue to provide support to Cheltenham College and its pupils in the form of bursaries and investment contributions in specific development projects.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The TRUSTEES are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2012, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the provision and detection of fraud and other irregularities.

THE COLLEGE FOUNDATION**REPORT OF THE TRUSTEES****For the year ended 30th April 2020**
(continued)**GOING CONCERN**

The Trustees are aware of the economic impact of the COVID19 pandemic on the UK and world economies. Despite these circumstances, the Trustees have reasonable expectation that The Foundation has adequate resources to continue in operational existence for the foreseeable future.

They therefore continue to believe the going concern basis of accounting is appropriate in preparing this annual financial statement.

AUDIT

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006 or Section 144(2) of the Charities Act 2011. Since the annual income was above the threshold for requiring an Independent Examiner to formally review the accounts in accordance with Section 145(1) of the Charities Act 2011, the Trustees have elected to commission an Independent Examination.

Approved by the trustees on 15 October 2020 and signed on their behalf by:

P Hammerson
Trustee

E Rowland
Trustee

THE COLLEGE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 30th April 2020

	Note	General Fund 2020 £	Restricted Fund 2020 £	Total 2020 £	Total 2019 £
Incoming resources					
- Donations		-	-	-	-
- Other income		-	52,457	52,457	52,457
Sub-total		-	52,457	52,457	52,457
Investment income	2	10	285	295	238
Total incoming resources		10	52,742	52,752	52,695
Resources expended					
- Cost of generating funds		-	-	-	-
Sub-total		-	-	-	-
Charitable activities					
- Grants and donations		-	-	-	-
- Administration costs		-	70,015	70,015	72,121
Sub-total		-	70,015	70,015	72,121
Governance costs		-	-	-	-
Total resources expended		-	70,015	70,015	72,121
Net incoming / (outgoing) resources		10	(17,273)	(17,263)	(19,426)
Gains / (losses) on investments					
- Realised		-	-	-	-
- Unrealised		(96)	-	(96)	(7)
Net movement in funds		(86)	(17,273)	(17,359)	(19,433)
Fund balances brought forward at 1st May 2019		35	35,717	35,752	35,752
Fund balances carried forward at 30th April 2020		(51)	18,444	18,393	18,393

1. All income and expenditure relates to continuing operations.
2. There were no recognised gains or losses other than those included in the statement of financial activities.
3. The notes on pages 9 to 13 form part of the financial statements.

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BALANCE SHEET

At 30th April 2020

	Note	30th April 2020 £	30th April 2019 £
Fixed assets			
Investments	3	102	198
Musical Instruments	4	103,290	168,525
Current assets			
Debtors		-	-
Bank		56,297	51,623
		56,297	51,623
Creditors: amounts falling due within one year			
Accruals and other creditors	5	(107,584)	(94,887)
		(51,287)	(43,264)
Longer Term Liabilities			
Bank loan 5 years		(33,712)	(89,707)
		18,393	35,752
Net assets			
Funds			
General Fund	6	(51)	35
Restricted Fund	6	18,444	35,717
		18,393	35,752
		18,393	35,752

The financial statements were approved and authorised for issue by the trustees on 15 October 2020 and signed on their behalf by: -

P Hammerson
Trustee

E Rowland
Trustee

1. The notes on pages 9 to 13 form part of these financial statements.

THE COLLEGE FOUNDATION**NOTES TO THE ACCOUNTS****For the year ended 30th April 2020****1. Principal Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

a) Presentation of Accounts

The financial statements have been prepared in accordance with: -

- Applicable Accounting Standards in the United Kingdom (United Kingdom Generally Accepted Accounting Practice), under the historic cost convention as modified by the revaluation of investments.
- Accounting regulations issued under the Charities Act 2011.
- The Statement of Recommended Practice on Accounting and Reporting by Charities: The Charities SORP 2005.
- The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements, on the grounds that the Charity is small.

b) Going concern

The trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future.

c) Income

Covenants, pledges, donations, bequests and gifts are included in the Statement of Financial Activities as they are received.

d) Expenditure

Grants and bursaries payable are accounted for when paid to recipients. Details of grants payable are given in the Review of Activities.

e) Recognition of Liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the Charity to that obligation.

f) Governance costs

Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice. These costs include costs related to any independent review, audit and legal fees.

g) General Funds

Income and donations received for the general purposes of the charity (income that is not restricted by the wishes of the donor) are treated as Unrestricted and are available to the trustees to allocate in accordance with the Foundation's Constitution.

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THE COLLEGE FOUNDATION

NOTES TO THE ACCOUNTS

For the year ended 30th April 2020
 (continued)

h) Restricted Funds

Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by the donors or which have been raised by the charity for a particular purpose.

j) Investments

Investments are stated at market value in the balance sheet. Investment income is accounted for when it is received. Gains and losses arising on investment assets are disclosed in a section of the Statement of Financial Activities distinguishing between realised gains where the investments have been sold and unrealised where they are still held at the balance sheet date. In both cases the gain is calculated with regard to the market value at the beginning of the year.

2. Investment Income

	30th April 2020	30th April 2019
	£	£
Interest on cash deposits	295	238
	295	238

3. Investments

	30th April 2020	30th April 2019
	£	£
Quoted investments		
Market value at 1st May 2019	198	205
Additions	-	-
Change in cash	-	-
Disposals at opening market value	-	-
Unrealised gains / (losses) on revaluation	(96)	(7)
Market value at 30th April 2020	102	198
Analysis of Investments		
Equities	102	198

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THE COLLEGE FOUNDATION

NOTES TO THE ACCOUNTS

For the year ended 30th April 2020
 (continued)

3. Investments (continued)

The market value of the following investments at 30th April 2020 exceeded 5% of the market value of the portfolio at that date: -

	30th April 2020 £	30th April 2019 £
Lloyds Banking Group	102	198
	102	198
	102	198

The historical cost of investments at the balance sheet date was £500 (2012: £500). All investments are held inside the United Kingdom.

4. Fixed Assets

	30th April 2020 £	30th April 2019 £
COST		
At 1st May 2019	326,177	326,177
Additions	-	-
Disposals	-	-
At 30th April 2020	326,177	326,177
DEPRECIATION		
At 1st May 2019	(157,652)	(92,417)
Charge for year	(65,235)	(65,235)
Eliminated on disposal	-	-
At 30th April 2020	(222,887)	(157,652)
NET BOOK VALUE		
At 30th April 2020	103,290	168,525
At 30th April 2019	168,525	-
	103,290	168,525

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NOTES TO THE ACCOUNTS

For the year ended 30th April 2020
(continued)

5. Creditors

	30th April 2020	30th April 2019
	£	£
Sundry creditor (Cheltenham College)	44,594	34,090
Deferred income	4,371	4,371
HMRC	2,623	2,623
Bank loan due 1 year	55,996	53,803
	107,584	94,887
	107,584	94,887

6. Fund Analysis

a) Analysis of Fund Movements

	Balance B/F £	Incoming Resources £	Resources Expended £	Investment Gains/(Losses) £	Balance C/F £
General Fund	35	10	-	(96)	(51)
	35	10	-	(96)	(51)
<u>Restricted Funds:</u>					
Tinson Music Fund	35,717	52,742	(70,015)	-	18,444
	35,717	52,742	(70,015)	-	18,444
	35,752	52,752	(70,015)	(96)	18,393
	35,752	52,752	(70,015)	(96)	18,393

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NOTES TO THE ACCOUNTS
For the year ended 30th April 2020
(continued)

6. Fund Analysis (continued)

b) Analysis of Net Assets between Funds

	Investments £	Assets £	Debtors £	Bank £	Liabilities £	Total £
General Fund	102	-	-	-	-	102
<u>Restricted Funds:</u>						
Tinson Music Fund	-	103,290	-	56,297	(141,296)	18,291
Total Funds	102	103,290	-	56,297	(141,296)	18,393
	102	103,290	-	56,297	(141,296)	18,393

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

I report to the trustees on my examination of the accounts of The College Foundation for the year ended 30 April 2020.

Responsibilities and basis of report

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

I report in respect of my examination of The College Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all applicable directions given by the Charity Commission under section 145(5) (b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report to enable a proper understanding of the accounts to be reached.

Signed:

T. Grainger

Tom Grainger
CIMA DIP MA

Dated: 15.10.20