

**THE WELLINGTON COLLEGE
ACCOUNTS AND REPORTS
FOR THE YEAR ENDED 31 JULY 2020**

THE WELLINGTON COLLEGE

GOVERNORS, OFFICERS AND ADVISERS

PRESIDENT

H.R.H. THE DUKE OF KENT
KG, GCMG, GCVO, ADC

PATRON

The Lord Archbishop of Canterbury

GOVERNORS AND CHARITY TRUSTEES

The Wellington College Governors are the charity trustees of The Wellington College ("The Charity"). They all served in office throughout the year except where indicated. The list includes any subsequent changes prior to the date of signing these financial statements. No Governor receives any remuneration or benefit from the charity.

P G C Mallinson BSc, MBA ^{1 3 4 7} Vice-President and Chairman

ex officio: The Duke of Wellington MA (Oxon), OBE, DL ⁴

Professor P J A Frankopan MA (Cantab), DPhil (Oxon), FRSA ^{2 4}

R Perrins BSc, FCA ^{1 6}

H Veary BA, FCA ^{1 5 6}

The Rt Hon the Lord Strathclyde CH, PC, BA ³

E Chaplin BA, MA, CMG, OBE ^{1 3} (resigned October 2020)

R Dennis CBE

D Ritchie FCA ^{5 6 7}

F A Kirk LLB ^{1 5 6}

V Rhodes BA, NPQH ²

G Galceran Ball ⁴

W Jackson MA (Oxon) ¹

H Stevenson MA ⁴

J May BA ⁷

M Milliken-Smith QC³

E McKendrick BA (appointed June 2020)

¹Executive & Finance Committee

²Academic Committee

³Old Wellingtonian

⁷Investment Committee

⁴Nominations

⁵Eagle House Council

⁶Risk & Audit Committee

In addition to those marked above, the Eagle House Council is composed of A Brown, J Dahl, C Henderson, P Hucklesby, M Rickards, S Robinson, and K Vleck.

THE WELLINGTON COLLEGE

GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)

The day to day running of the schools is delegated to the Master, the Headmaster, Bursars and Senior Management Teams.

Key Management Personnel

The Master	J E L Dahl
Eagle House Headmaster	A P N Barnard
Group Finance and Operations Director, Bursar and Clerk to the Governors	S J Crouch
Second Master	C Henderson
Deputy Academic	M J Oakman
Deputy Co-Curricular	I Sutcliffe
Deputy Pastoral	D Walker
Deputy Safeguarding	D Lynch
Director of Admissions	E Venables

Addresses

Wellington College Duke's Ride Crowthorne Berkshire RG45 7PU	Eagle House School Sandhurst Berkshire GU47 8PH
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Websites

www.wellingtoncollege.org.uk
www.eaglehouseschool.com

Bankers

Allied Irish Bank (GB)
26 Finsbury Square
London
EC2A 1DS

Barclays Bank plc
2 Churchill Place
Canary Wharf
London
E14 5RB

Solicitors

Farrer and Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Auditor

Crowe UK LLP
Aquis House
49-51 Blagrove St
Reading
Berks
RG1 1PL

Investment Advisers

Partners Capital
5, Young Street
London
W8 5EH

THE WELLINGTON COLLEGE

GOVERNOR'S REPORT

FOR THE YEAR ENDED 31 JULY 2020

The Governors of Wellington College present their annual report for the year ended 31 July 2020 under the Charities Act 2011, together with the audited accounts for the year.

The Wellington College (TWC) has the power under its sponsorship agreement with the Wellington College Academy Trust (WCAT) (Company number 06457394) to appoint the governors of that body. As a consequence it is considered, under FRS 102, to have control of WCAT and therefore the financial results of WCAT have to be included in the accounts of TWC, though the assets of WCAT are not available to TWC and TWC is not responsible for the liabilities of WCAT.

In April 2020 the sponsorship of WCAT was transferred to the Royal Wootton Bassett Academy Trust (RWBAT). In the current year the transactions of WCAT for the period September 2019 to March 2020 are included within these accounts, and the closing balance sheet at March 2020 was transferred to RWBAT. No balances relating to WCAT appear in the combined balance sheets presented in these accounts.

The following definitions have been adopted in these accounts:

Combined: WCAT and Consolidated Charity (defined below) combined
Consolidated Charity: TWC and its trading subsidiaries (the reporting entity of previous years)
Schools: the school operations of TWC and the College Trusts relating to them

Since the direct governance of WCAT and the operation of that entity is the responsibility of its own governors, the detailed reporting of those matters has not been incorporated onto the Governors' Report set out below.

REFERENCE AND ADMINISTRATIVE INFORMATION

Wellington College is an independent co-educational boarding and day school providing education to boys and girls between the ages of 13 and 18 and, through Eagle House School, for children between the ages of 3 and 13 years. It was founded by a Royal Charter dated 13 December 1853 as a memorial to the 1st Duke of Wellington and is registered with the Charity Commission under charity number 309093.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The 1853 Charter was followed by four supplementary Charters. On 27 January 2006 the College was granted a new Royal Charter consolidating these previous Charters. On 12 March 2008 a further amendment to the Charter was granted which permits the advancement of education internationally as well as nationally and the support, provision or assistance in the provision of other educational establishments or initiatives. On 11 May 2011 a further amendment to the Charter was granted removing the age restriction for Governors. On June 17 2014 an amendment to the Charter was approved which appoints the Duke of Wellington as an ex-officio Governor of the College.

Governing Bodies

The 2006 Charter vests the government and control of the charity in the Governing Body whose members, of whom there shall be a minimum of 15, are elected by that Body subject to the approval of the Sovereign. Members may serve up to two consecutive terms of five years. The Governing Body has delegated the running of Eagle House to a separate Council chaired by a Governor, currently Howard Veary.

Recruitment and Training of Governors

A Nominations Committee meets as necessary to plan the future membership of the Governing Body in the light of likely retirements and the need for a range of skills and experience. It identifies suitable candidates and recommends them for consideration by Governors who decide on names to be submitted for The Queen's consent. When this has been given, candidates are then formally elected by the Governors.

THE WELLINGTON COLLEGE

GOVERNOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Recruitment and Training of Governors (continued)

New members of the Governing Body receive, shortly after appointment, a full induction at Wellington College appropriate to their particular professional qualification or area of expertise. They are also encouraged to attend one of the seminars for new Governors offered by the Association of Governing Bodies for Independent Schools (AGBIS). All Governors are given the opportunity to attend externally provided seminars and courses on the role and responsibilities of Governors and Trustees. They are encouraged to visit the College and Eagle House on a regular basis, with visits to departments and Houses.

Organisational Management

The Governors of Wellington College meet at least three times a year. The work of preparing and implementing most of their policies is carried out by the members of the Executive and Finance Committee (E&FC), who meet two weeks before each meeting of the full Wellington College Board and at any other time as required.

The other principal committees, apart from the Eagle House Council, are:

- i) The Investment Committee
- ii) Nominations Committee
- iii) The Academic Committee
- iv) The Risk, Audit and Trustee Committee

Various governors take on a leading role in linking to various areas of College activities such as Health & Safety, Buildings and Estates and Heritage. Felicity Kirk was the designated Governor for Child Protection for both Wellington College and Eagle House School during the year.

The Eagle House Council meets at least three times a year. The work of preparing and implementing most of their policies is carried out by its Finance Committee and its Academic Committee who meet two weeks before each meeting of the full Eagle House Council, under the chairmanship of Howard Veary.

The Governors appoint the Master of the College who is charged with its entire administration with the assistance of the Bursar, who is also appointed by the Governors, and his Senior Management Team. The Bursar is charged with the administration of the Charity. The Master and Bursar attend all meetings of the Governing Board and most committee meetings. The Bursar is also Clerk to the Governors. The remuneration of the Master and the Bursar is set by the Governors on appointment, and reviewed annually as a result of the outcomes of the performance appraisal system. The remuneration of other key management personnel is set as part of the annual budgeting process and takes into account the performance of each person against their appraisal targets.

The selection of the Headmaster of Eagle House School is made by the Eagle House Council with the appointment ratified by Wellington Governors. The Headmaster of Eagle House is charged with the day-to-day administration of Eagle House with the help of the Bursar of Eagle House who is also appointed by the Eagle House Council.

The two trading subsidiaries of the charity, Wellington College Enterprises Limited and Wellington College International Limited each have their own board of directors. In each case the directors of the companies include Governors and members of the senior management team of the Charity and the activities of the companies are reported to the Executive and Finance Committee at each of its meetings.

Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Wellington College Enterprises Limited, (WCE), whose business activities include construction and the provision of leisure and retail services. Profits are gift aided to the College's Trust Funds specifically to fund bursary awards. The closure of the

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

Group Structure and Relationships continued

club from March 2020 until late July 2020, coupled with the absence of any letting opportunities, as a result of national lockdown measures, has meant that WCE made a trading loss of £121k in the year. Since the College believes that WCE has a viable future as restrictions ease, and the fees paid by external members of the sports club defray significant running costs which would otherwise fall to the College, the College has decided to make a grant to subsidise the losses of WCE for the current year. In 2019 profits amounted to £256k.

The Charity has a wholly owned non-charitable subsidiary, Wellington College International Limited which operates in the furtherance of the College's developments overseas. Profits are gift aided to the College's Trust Funds. In 2020 this amounted to £2,525k (2019 £2,438k).

The Wellington College Limited is a dormant company, formed to protect the name of the College. Wellington College International (India) Limited and Wellington College International (Russia) Limited were formed to investigate international development opportunities in the respective territories named. They did not trade in the year and are dormant.

The Charity was the sponsor of the Wellington College Academy Trust, (WCAT), which comprises a secondary school and a primary school, as part of its own charitable objectives. Since the College had the ability to appoint the governors the results of WCAT have been consolidated in these accounts even though the assets of WCAT and its liabilities are not the responsibility of the College. In April 2020 responsibility for the Academy was transferred to the Royal Wootton Bassett Academy Trust. As a consequence only the transactions relating to the period from September 2019 to March 2020 have been incorporated in the SOFA. All assets have been transferred and therefore there are no balances related to WCAT on the closing balance sheets presented.

Trust Funds

The College operates four trust funds which provide scholarships and bursaries to the College and a fifth which invests any proceeds from advanced fee payments. The investment of these funds was managed by Partners Capital in 2019-20 (see Note 15) and the performance of the funds is overseen by the Investment Committee.

The Heritage Fund was established in 1992 by the Governors out of the proceeds from the sale of some capital assets of the College and a donation from an Old Wellingtonian. It is used for the permanent enhancement of the College and for bursaries. The fund may be supplemented at the Governors' discretion with the proceeds from the sale of any other College capital assets or through donated gifts.

The Fisher Endowment was instituted in 1978 in memory of a former Master, to provide for bursaries and scholarships.

The Governors resolved to combine these two funds in order to provide more flexible options for their use. The rules which were set up by the Governors in 1992 were rescinded and the combined fund will be used primarily for remission support.

The Combined Trust Funds consist of a number of individual trust and prize funds set up by individual donors for scholarships, prizes and bursaries and also include the Foundation Capital which represents the original endowment to provide education to children of deceased commissioned service officers under the terms of the Royal Charter of 1853, as subsequently amended in 1855, 1952, 1960, 2006, 2008, 2011 and 2014. This fund is also used to invest money raised for College Development projects which is not immediately required for expenditure.

The Prince Albert Foundation has been set up to receive donations directed at the provision of life changing bursaries for pupils who would not otherwise be able to attend the College.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

Risk Management

The Governors of Wellington College are responsible for the management of risks faced by the Charity. Detailed consideration of risk is delegated to the Risk, Audit and Trustee Committee, who are assisted by the Bursars and the Senior Management Teams. Risks are identified, assessed and controls established throughout the year. A formal review of the Charity's risk management processes is undertaken on an annual basis.

There are three principal areas of risk which have been defined as having the potential to affect the operations of the charity.

- Threats impacting on the wellbeing of pupils. These encompass the risk of physical or mental harm arising from the actions of staff, other pupils or persons external to the organisation
- Threats which impact on the public perception of the College and therefore the desirability of pupil places in our schools. These may include the threats above but also matters such as examination performance or other matters which affect the relative popularity of the College against our competitors
- Threats to the independent school sector as a whole. These may include changes to taxation of charities or taxation matters affecting College staff such as alterations to the taxation of accommodation or fee remission

These threats are individually reviewed and linked to specific policies and actions which may mitigate the risks arising from them. The action plans are also reviewed to ensure that action is being taken.

The key controls used by the Charity include:

- Formal agendas, minutes and terms of reference for all Committee and Board activity
- Comprehensive strategic planning, budgeting, cash flow forecasting, management accounting and forecasting
- Established organisational structures and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Comprehensive risk assessment programmes
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the schools, the Wellington College Governors are satisfied that the major risks identified have been mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Object and aims

The Object for which the College is established and incorporated, is the advancement of education (whether nationally or internationally) for the public benefit by:

- the provision of the College for the benefit of the Foundationers and others and, in so providing, preference shall be given to the Foundationers: and
- supporting, providing or assisting in the provision of other educational establishments or initiatives; and/or such other means as the Governors shall, in their absolute discretion, determine.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

Public Benefit – Aims and Intended Impact

In meeting this Object, Wellington College aims to provide a world class education, both through strong academic tuition and through holistic education, so as to develop every pupil to his or her greatest potential. This builds self reliance and inculcates a desire for and understanding of Service, thereby benefiting the wider community

In the furtherance of these aims, the Governors of Wellington College, as the charity trustees, have complied with the duty in 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

In order to ensure that the benefits of the charity may be spread as widely as possible, the College makes awards of scholarships and bursaries from the College trust funds as described above. It also makes significant awards from its unrestricted income. The details of this are set out in the section on grant making policy below.

Charitable Objectives

Wellington College has a strong focus on its charitable objectives. These activities and Wellington's future plans in this area are based on the following principles:

1. The school is committed to broadening its intake to include children of families who could not otherwise afford an independent education through an enhanced bursaries programme and to exploring alternatives to bursaries where appropriate, including its sponsorship of WCAT, teaching schools initiative and independent state school partnership activities.
2. The school will always strive to maximise the value it obtains when deploying its charitable funds and assets.
3. Wellington recognises that an essential component in facilitating fund raising is that the school itself must offer the highest standard of education. It is this excellence that is a key factor in attracting donors. This requires that the school is:
 - a) run on a sound long term financial basis
 - b) able to compete with other similar schools including being able to attract the most talented pupils in order to maintain its all round excellence
 - c) able to attract and retain talented staff.

Initiatives in Support of the Charitable Objectives and Public Benefit

The College runs several initiatives in support of its charitable objects and public benefit. These include:

Prince Albert Foundation

A fully funded bursary scheme for pupils from backgrounds with limited financial means and educational opportunities. The scheme has just under 20 pupils as of September 2020 and the plan is to double this as swiftly as possible, including students at 13+ and lower sixth.

The scheme's purpose is to provide transformative opportunities pupils to who would otherwise face significant challenges in realising their potential, rather than to bring those who have already exhibited outstanding talents in individual areas to the College.

Educational Grants Scheme

The College has set up a scheme for schools and other educational institutions to apply for grants of up to £400,000 in 2020-21.

THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020

Initiatives in Support of the Charitable Objectives and Public Benefit: continued

Two pilot grants of £100,000 each were given to two local academy chains in Summer of 2020 in order to assist their schools response to the challenges of Covid-19. The theme for these pilot grants was "closing the gap" in potential attainment which had grown for some pupils under lockdown.

Future years' grants are likely to be theme based, with options including early years numeracy and literacy, support for capital projects where there is a clear link to provision, co-curricular provision in sports and the arts. The grant scheme will be developed in consultation with providers of education to ensure it is targeted and achieves the greatest possible impact.

Independent State School Partnership

Almost 2,000 local state school pupils benefitted from the College's ISSP events and courses during the last full active academic year, which is nearly double the total from 4 years previously. The College has doubled its funding for the programme so that each school needs only to contribute £500 p.a to access everything on offer in the partnership, a reduction of 80%. As a result, 5 new partner schools have joined, making 15 schools in the partnership. The programme was continued as far as possible during the Covid-19 lockdown with online delivery of events. During this period, schools' contributions have been paused, and these will begin again only when full in-person delivery can recommence.

Wheeler Programme

The Wheeler programme, which has now had 4 successful years, represents a considerable expansion to the current partnership and access initiatives of the College. It is designed to offer to 20 state school students in each cohort, a fully-funded 5 year programme that distils and concentrates the extra things that a Wellington education offers. In so doing, it supports and enhances the student's school, family and personal resources to enable them to make the most of their opportunities. It also gives students a connection to the wider Wellington Community for future careers advice, work experiences and internships. In each of the 5 years, the participants have 2-3 study days at Wellington, and a residential stay either at Wellington or elsewhere as below. These are staffed by Wellington College teachers. Currently, 80 pupils benefit from this programme.

Academies

In April 2020, the Wellington College Academy Trust was merged into the Royal Wootton Bassett Academy Trust. Wellington College remains committed to ongoing financial and collaborative support of The Wellington Academy. This will extend to Oxbridge advice; internships and work experience placements; WCTSP, Wheeler Programme and ISSP access and funding; Festival of Education tickets for all teaching staff; Coachbright; Leadership and Coaching Training; SLE deployments; Leadership Training for students.

Teaching School Partnership

The WCTSP now consists of 21 partner schools who collaborate in a number of ways, including teacher conferences, deployment of specialist leaders in education (SLEs), subject specific support groups and continued professional learning and development.

The WCTSP fully funds its online CPLD programme and both in-person and online SLE deployment programme, for the benefit of our partner school teachers so that they can reap the benefits of such programmes at a nil-cost to their schools. We continue to explore new ways to enhance the development of teachers and as a result improve standards and outcomes for pupils.

As of September 2021, 'Teaching Schools' grants as a government initiative will cease, which will provide Wellington with a unique opportunity to lead a community within which effective training and development of teachers, support staff, headteachers and leaders is enabled.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

Initiatives in Support of the Charitable Objectives and Public Benefit: continued

Other initiatives

Pupils from local schools have attended various lectures, talks and seminars, as well as the annual University Fair. The Master's Lecture programme continues to provide a wide selection of speakers. It is attended by parents, former parents and members of the local community, as well as staff and pupils.

Wellington College continues to value the role of the Crowthorne Trust within the local community. The Crowthorne Trust provides educational grants to young people living in the locality of Crowthorne, to help them to pursue some project, usually overseas, that they would not otherwise be able to do. The trustees of this charity are predominantly employees of Wellington College and its meetings are held at the College.

A programme of meetings with Bracknell Forest Council and councillors representing local wards continues and has continued to explore ways in which the College can engage yet more actively with its local community.

Both the College and Eagle House continue to provide extensive facilities and assistance within their local communities. The College also provides secure parking for minibuses which belong to a number of local charities. External access to the historic archives of the College for general academic research is being developed.

Through the Wellington Walkers Club the College is able to provide access to large parts of the estate and we were pleased to provide guided tours of the College & grounds as fundraising opportunities for a number of local charities. The annual Fireworks & Bonfire Spectacular is open to the local community; it was very well attended this year and raised funds for local causes.

This year, the College has provided temporary accommodation (June to November 2020) for Crowthorne Old Age to Teen Society (COATS) whilst their day centre is being refurbished.

Royal Berkshire Fire and Rescue Service relocated to the College during the redevelopment of the Crowthorne Community Fire Station.

Berkshire Lowland Search and Rescue regularly use the College estate to conduct search and rescue exercises for missing persons.

The Ark Pre-School has temporarily relocated to the College until the end of Summer Term 2021, whilst their current home, the Crowthorne Baptist Church, is being redeveloped. The College has also provided the Baptist Church with storage space until the refurbishment is completed.

The British Hen Welfare Trust regularly use the College stables and have successfully rehomed several hundred hens throughout the year. We have also donated a substantial number of items of equipment and furniture to local schools and charities. This includes exam tables donated to Wildmoor Heath School following the relocation of their ICT Suite due to extensive flood damage.

During the Covid – 19 pandemic and whilst the College was closed, the College provided a residential boarding house for the use of NHS key workers from April to July.

THE WELLINGTON COLLEGE

GOVERNOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Principal activities of the year

The Charity's main activity has been to provide education to boys and girls from the ages of 3 to 18 in its two schools, Eagle House School and Wellington College. It also runs educational conferences and courses, and through its subsidiary, Wellington College Enterprises Ltd, runs a Health & Fitness Club and associated activities, which are open to members of the public. Wellington College International Ltd manages the development of overseas schools under license arrangements.

This year, Wellington College averaged 1058 (2019:1034) pupils of whom approximately 80% were boarders and 20% were day pupils and 40% were girls. The continued high number of visitors attending Visitors' Mornings, together with the level of registrations and interest in the school, provide confidence that the school will continue to operate at high numbers for the foreseeable future.

At Eagle House School the number of pupils through the year averaged 390 (2019: 384) of whom 32 were boarders and 46% were girls. A further 84 pupils took advantage of flexi-boarding in the year.

Both schools welcome children from all backgrounds, regardless of race, creed or religion. Criteria for admissions can be obtained direct from the schools or their websites.

Achievements in the Year

The closure of UK schools in March 2020 as part of Government measures intended to manage the spread of Covid 19 virus meant that the summer term operations had to be completely recast to deliver as much as possible to pupils who were not on site. A full curriculum was delivered virtually to all College year groups, as well as tutoring and other pastoral support. Eagle House pupils also received online tuition at levels appropriate to their age. In both schools efforts were made to provide co-curricular activities such as sport, music and drama in addition to classroom lessons. The work that was put in by teaching staff ensured that the programme provided was as full and varied as could be managed in the circumstances.

The total number of pupils at the College remains high: admission into academic year 2020/21 is 1089 pupils at Wellington College and 378 at Eagle House.

Specific achievements against the Charitable Objectives include:

- Fundraising to bring children from backgrounds with limited financial means and educational opportunities to Wellington has developed further in the year. In the course of the year over £5m of donations were received.
- The Festival of Education in June 2020 was cancelled due to Covid but planning is underway for a Festival to return in 2021, hosted at the College and with the aim of attracting a very wide range of visitors and speakers from across the education sector and over 4,000 attendees.
- A conference programme on a range of education topics attracted the highest calibre of speakers and delegates from the state and independent sectors.
- Continuing to strengthen the College's resilience by increasing the demand for places in every category. Over 4 candidates pre-test for every place at Year 9 entry, with greater competition for sixth form entry.
- The College continues to attract excellent staff at newly qualified and experienced levels.
- Progress towards the development of two new schools in China and entering into detailed negotiations with new partners for India and Malaysia

Grant-making policy

The availability of all awards for fee-assistance is found on our website at www.wellingtoncollege.org.uk.

Economic uncertainty has continued to affect a number of parents this year. We have continued an instalment scheme which allows parents to spread the termly fees over a number of instalments.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

Fee Remission

Remissions

New scholarships no longer automatically carry fee remission, but give access to means tested bursaries. The progress of pupils receiving scholarships is reviewed at least annually to ensure that their progress is in line with their abilities.

A feature of remissions in 2019-20 was the addition of hardship awards to parents whose ability to pay fees had been hit by the economic effects of Covid 19. The College received donations of over £0.5m to provide financial assistance in this way. These funds have been deployed to help parents in the years 2019-20 and 2020-21.

There are 364 holders of awards in the schools. Of these 182 received some degree of fee remission representing 5.4% of gross fees. Eight pupils received full remission and a further nineteen received 85% or more in remission. External funding covered £44k of fee remission. Remissions relating to the effect of Covid-19 on parental finances were made to twenty pupils. Restricted funds paid £1,543k towards covering remissions and the balance of £887k was drawn from non restricted funds.

Foundationers

Included within the remissions noted above, Foundation awards have been made to five pupils in 2019-20, totalling £108k. The eligibility criteria for a Foundation award can be found on the College website.

Volunteers

A number of parents manage and operate a Charity Shop in the centre of the College during normal school term times which generated funds during the year for distribution to various charities chosen by the pupils. The College is grateful for parents' continued support and for their time and effort as well as for the help of Old Wellingtonians with fundraising and careers advice. The Eagle House Parents' Association has continued to provide social and fundraising support for school projects.

Governance

The school's charitable policy is reviewed on a regular basis in order to ensure that it is compliant with any changes in legislation or guidance from the Charity Commission and that the available charitable resources are being used to best effect in meeting the College's charitable objectives.

Modern Slavery and Human Trafficking

A statement of the College's policy in this matter and the actions that it is undertaking to ensure that it complies with the Modern Slavery Act has been prepared and will be available on the College website at www.wellingtoncollege.org.uk

Fundraising Policy

Wellington College has registered with the Fundraising Regulator. The Community Office ensures that the College complies with the Fundraising Preference Service (FPS), which became law in 2018. In addition, the Community Office ensures that it complies with the 1998 Data Protection Act (DPA). During this last year it has also been working towards compliance with the 2019 General Data Protection Regulation (GDPR), which became law in May 2019.

All fundraising activities for the College are carried out by Community Office staff with assistance from the parents and pupils in the running of specific fundraising events. The College does not use professional fundraisers or have any commercial participators. All fundraising activities are managed by the Director of Development, with overall oversight by the members of the governing body.

No complaints relating to fundraising activities have been received during this financial period.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Governors intend that each of the school operating units within the Consolidated Charity, namely Wellington College and Eagle House School, should, if possible, aim to generate a cash surplus from all operational activities (including annual capex and contributions from Trusts to bursaries but excluding major projects) of at least 7% of net fee income. This currently gives a target for Wellington College of c £2.1m cash generation and £300,000 for Eagle House.

In the reporting year the College entity generated a total operating cash surplus (net incoming resources plus depreciation) of £6,949,000 or 17.3% of net fee income (2019: £6,304,000 or 16.5%). Eagle House produced an operating cash surplus of £777,000 or 13.2% of net income (2019: £878,000 or 14.9%). The overall net incoming resources of the Consolidated Charity, including its trading companies, were £7,887k (2019: £4,409k), which after net realised and unrealised investment gains of £1,275k (2019: £2,053k), gave a net increase in funds of £9,162k (2019: £6,462k), in the year.

The financial results of the school operations were adversely affected by the move of the schools to online provision in the Summer term. Discounts on the normal fees were given to parents and, although some savings on expenditure were made, the operating results for the term were over £1m lower than budget.

During the year WCE made a loss of £121k as a result of the effects of Covid-19 restrictions on its operations. The College has covered this loss. In 2019 WCE generated a taxable profit of £256k of which £256k was donated to College.

Wellington College International received the payments of franchise fees from Wellington schools in China and Thailand during 2020. A profit of £2,525k (2019: £2,438k) was generated in 2020 of which £2,525k was donated to College.

Designated Funds

The Charity currently holds £4,471,000 of designated funds. The largest element, £3,467,000, is the accumulated profits of Wellington College Enterprises and Wellington College International which have been gifted to the College and the profits are designated for the support of the bursary and other College programmes. The non endowed portion of the Fisher Fund, which can be used for the permanent enhancement of the College or for bursaries, £881,000, is also held under this heading, as are the net asset value of the trading subsidiaries and the accumulated profit of the Advance Fee fund.

Investment Performance against Objectives

The Governors' investment powers are governed by the Trust Deed, which permits the Charity's funds to be invested in any authorised investment. The Governors' policy, in the case of the Combined Trust Funds and Fisher Fund, is to maximise the total return with due respect for the risk; and of the Advanced Fees Scheme to match the return required in order to fund to maturity the profile of the related liability. In the year the Trusts distributed 4.6% of the average value of their assets over the last three years, after allowing for specific approved distributions. For 2020 the annual distribution to College was reduced by £150k to bring distributions into line with long term investment goals.

Reserves Policy

Ideally the Consolidated Charity needs free reserves to enable it to meet its charitable obligations in the eventuality of an unexpected revenue shortfall. Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the Charity and, therefore, exclude those restricted or designated for particular purposes and those already utilised in purchasing tangible fixed assets. The Governors believe that the level of reserves or facilities freely available in the Consolidated Charity (including its trading subsidiaries) for its general purpose should be up to the equivalent of one term's operating costs (2020: £16,966k), subject to the continuing needs of the schools to develop and maintain their buildings and facilities at an appropriate level.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2020**

Reserves Policy continued

The consolidated free reserves position at 31 July 2020 was £10,598k (2019: £8,863k). This policy is reviewed annually by the Governors.

FUTURE PLANS

The College's Development Plan for the period 2020-2024, under its 15th Master, James Dahl, includes the following themes:

- Mission: the aim is to make Wellington College one of Britain's, and the world's, leading and most inspiring co-educational schools for boarding and day pupils. We wish to provide a transformative experience with a commitment to leadership, service and an international outlook;
- The College's Five Values of Respect, Responsibility, Courage, Integrity and Kindness;
- As well as academic excellence and the primacy of the classroom, core areas also include the arts and performance, community and service, international outlook, leadership for all, the wider Wellington family, pastoral care and warmth, sport, spirituality and well-being;
- Co-education and size: we believe that full co-education provides the ideal environment for both boys and girls in which to learn and flourish. Plans are being developed to move the school to 50/50 representation of boys and girls.
- A principal part of the development quest is to find funding for bursaries, for children from all backgrounds to attend Wellington College, irrespective of means.

Specific targets for the coming year include:

- Further embedding the Wellington College Values
- Continue to act as a leading example of public benefit programmes including our new Educational Grants initiative as well as the Prince Albert Foundation and other partnership activities.
- Exploring further international expansion in India and Malaysia.
- Achieve our cash generation targets to fund ongoing development of the estate and our offer.
- Secure planning permission for an additional boarding house as part of the move to 50/50 balance between female and male pupils.

**THE WELLINGTON COLLEGE
GOVERNOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020**

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors are responsible for preparing the Governors' 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 requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group, and of the incoming resources and application of resources of the charity and group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the charities SORP;
- 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 charitable company will continue to operate.

The Governors are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, 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 the group and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Having reviewed the funding facilities available to the charity together with the expected ongoing demand for places at the schools and the charity's future projected cash flows, the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Approved by the Board of Governors of Wellington College on 24 November 2020 and signed on its behalf by:



Peter Mallinson
Vice President and Chairman

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE WELLINGTON COLLEGE

Opinion

We have audited the financial statements of the Wellington College for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets (comprising Combined, Consolidated Charity and Schools), 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).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 July 2020 and of the group's incoming resources and application of resources, 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 Charities Act 2011.

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 group 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE WELLINGTON COLLEGE (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE WELLINGTON COLLEGE (CONTINUED)

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.



Crowe U.K. LLP

Statutory Auditor

Reading

Date: 17 December 2020

Crowe UK LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE WELLINGTON COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020

	Notes	Schools £'000	Unrestricted	Designated £'000	Restricted £'000	Endowed £'000	Consolidated Charity £'000	WCAT Restricted £'000	Combined 2020 £'000	Combined 2019 £'000
INCOME AND ENDOWMENTS FROM										
Charitable activities										
School fees receivable	4(a)	43,346	-	-	-	-	43,346	-	43,346	44,403
Funding for school operations		-	-	-	-	-	-	5,247	5,247	7,239
Ancillary trading income	5	1,607	-	-	-	-	1,607	306	1,913	2,305
Other trading activities										
Non-ancillary trading	6	100	-	-	-	-	100	-	100	1,043
Non-charitable trading	7	-	5,808	-	-	-	5,808	-	5,808	7,974
Investments										
Investment income	8	231	178	-	738	-	1,147	-	1,147	646
Voluntary Sources										
Donations and capital grants		28	-	-	6,741	-	6,769	28	6,797	1,804
Other Income	9	7	-	-	-	-	7	-	7	1,125
Total Income		45,319	5,986	7,479	-	-	58,784	5,581	64,365	66,539

THE WELLINGTON COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted	Restricted	Endowed	Consolidated	WCAT	Combined	Combined
	Notes	Schools	Designated		Charity	Restricted	2020	2019
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXPENDITURE ON								
Charitable activities								
School operating costs and grant making	10	44,881	620	1,125	-	46,626	6,155	56,295
Raising funds								
Non-charitable trading	7	-	3,036	-	-	3,036	-	4,929
Fundraising costs		12	-	-	-	12	-	80
Financing costs	13	<u>1,102</u>	<u>66</u>	<u>21</u>	<u>34</u>	<u>1,223</u>	<u>-</u>	<u>2,235</u>
Total expenditure	10	<u>45,995</u>	<u>3,722</u>	<u>1,146</u>	<u>34</u>	<u>50,897</u>	<u>6,155</u>	<u>63,539</u>
NET INCOME BEFORE GAINS								
		<u>(676)</u>	<u>2,264</u>	<u>6,333</u>	<u>(34)</u>	<u>7,887</u>	<u>(574)</u>	<u>3,000</u>
Investment gains/(losses)		905	72	265	33	1,275	(97)	2,100
Transfers between funds	11	2,724	(2,051)	(475)	(198)	-	-	-
Actuarial /(losses) on defined benefit pension schemes		-	-	-	-	655	655	(726)
Transfer of WCAT to RWBAT		-	-	-	-	(27,942)	(27,942)	-
NET INCOME/(EXPENDITURE)	12	<u>2,953</u>	<u>285</u>	<u>6,123</u>	<u>(199)</u>	<u>9,162</u>	<u>(27,958)</u>	<u>4,374</u>
Total funds brought forward			<u>72,374</u>	<u>10,035</u>	<u>18,237</u>	<u>100,646</u>	<u>27,958</u>	<u>124,230</u>
TOTAL FUNDS CARRIED FORWARD			<u>75,612</u>	<u>16,158</u>	<u>18,038</u>	<u>109,808</u>	<u>109,808</u>	<u>128,604</u>

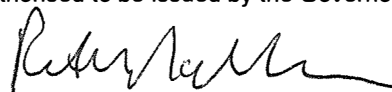
All operations of the Consolidated Charity are continuing. Comparative year detail is shown in note 29. The notes on pages 23 to 54 form part of these accounts

THE WELLINGTON COLLEGE
BALANCE SHEETS
31 JULY 2020

	Notes	Combined		Consolidated Charity		Schools	
		£'000 2020	£'000 2019	£'000 2020	£'000 2019	£'000 2020	£'000 2019
FIXED ASSETS							
Buildings and equipment	14	62,494	91,215	62,494	62,720	61,204	61,386
Investments	15	<u>63,022</u>	<u>57,288</u>	<u>63,022</u>	<u>56,399</u>	<u>64,472</u>	<u>57,849</u>
		<u>125,516</u>	<u>148,503</u>	<u>125,516</u>	<u>119,119</u>	<u>125,676</u>	<u>119,235</u>
CURRENT ASSETS							
Stocks		696	656	696	648	517	417
Debtors	17	477	1,321	477	850	572	997
Cash at bank and in hand		<u>29,898</u>	<u>30,504</u>	<u>29,898</u>	<u>29,262</u>	<u>29,533</u>	<u>28,862</u>
		<u>31,071</u>	<u>32,481</u>	<u>31,071</u>	<u>30,760</u>	<u>30,622</u>	<u>30,276</u>
CREDITORS							
Amounts due within one year	18	<u>(13,520)</u>	<u>(16,910)</u>	<u>(13,520)</u>	<u>(15,093)</u>	<u>(13,231)</u>	<u>(14,725)</u>
NET CURRENT ASSETS		<u>17,551</u>	<u>15,571</u>	<u>17,551</u>	<u>15,667</u>	<u>17,391</u>	<u>15,551</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>143,067</u>	<u>164,074</u>	<u>143,067</u>	<u>134,786</u>	<u>143,067</u>	<u>134,786</u>
CREDITORS: Amounts falling due in more than one year	19	<u>(33,259)</u>	<u>(34,140)</u>	<u>(33,259)</u>	<u>(34,140)</u>	<u>(33,259)</u>	<u>(34,140)</u>
Defined Benefit Pension Liability		<u>-</u>	<u>(1,330)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL NET ASSETS		<u>109,808</u>	<u>128,604</u>	<u>109,808</u>	<u>100,646</u>	<u>109,808</u>	<u>100,646</u>
FUNDS							
Endowment Funds	23	18,038	18,237	18,038	18,237	18,038	18,237
Restricted Funds	24	16,158	37,993	16,158	10,035	16,158	10,035
Unrestricted Funds-Designated	25a	4,471	4,186	4,471	4,186	4,471	4,186
Unrestricted Funds-Other	25b	<u>71,141</u>	<u>68,188</u>	<u>71,141</u>	<u>68,188</u>	<u>71,141</u>	<u>68,188</u>
TOTAL FUNDS	22	<u>109,808</u>	<u>128,604</u>	<u>109,808</u>	<u>100,646</u>	<u>109,808</u>	<u>100,646</u>

Approved and authorised to be issued by the Governors on 24 November 2020 and signed on their behalf by

P Mallinson



H Veary



The notes on pages 23 to 54 form part of these accounts

THE WELLINGTON COLLEGE
CONSOLIDATED CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

	Combined		Consolidated Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Net movement in funds	(18,796)	4,374	9,162	6,462
Depreciation	3,354	3,866	2,623	2,634
Profit on sale of fixed assets	(7)	(1,125)	(7)	(1,125)
Investment income	(1,147)	(646)	(1,147)	(645)
Interest paid	1,223	2,235	1,223	2,235
Net gain on investments	(1,178)	(2,100)	(1,275)	(2,053)
(Increase) in stock	(48)	(294)	(48)	(294)
Decrease in stock held for development	-	1,953	-	1,953
Decrease in debtors	151	282	373	297
Increase/(Decrease) in creditors	(805)	502	(613)	(746)
Defined Benefit Pension costs less contributions	(655)	307	-	-
Increase in final term deposits	292	426	292	426
Cash provided by operating activities	(17,616)	9,780	10,583	9,144
Cash flows from investing activities				
Payments to acquire fixed asset investments	(10,864)	(52,772)	(10,864)	(51,941)
Proceeds from the sale of fixed asset investments	5,166	30,999	5,166	30,450
Capital Grants received	28	100	-	-
Payments to acquire tangible fixed assets	(2,434)	(6,868)	(2,399)	(6,665)
Proceeds from the sale of tangible fixed assets	7	2,017	7	2,017
Interest paid	(1,223)	(2,235)	(1,223)	(2,235)
Transfer of WCAT net assets and reserves to RWBAT	26,964	-	-	-
Investment income	1,147	646	1,147	645
Cash (used in) investing activities	18,791	(28,113)	(8,166)	(27,729)
Cash flows from financing activities				
Bank loan repaid	-	(10,495)	-	(10,495)
Loan Note issued	-	30,000	-	30,000
Capital element of finance lease repayments	(109)	(103)	(109)	(103)
Cash (used in)/provided by financing activities	(109)	19,402	(109)	(19,402)
Advance Fee Scheme				
Amounts utilised and repaid	(3,488)	(3,060)	(3,488)	(3,060)
Interest credited to advance fees	53	65	53	65
Receipts from new contracts	1,413	3,526	1,413	3,526
Cash (used in)/provided by advance fees	(2,022)	531	(2,022)	531
Increase in cash and cash equivalents in the year	(956)	1,600	286	1,348
Cash and cash equivalents at the beginning of the year	31,183	29,583	29,941	28,596
Cash and cash equivalents at the end of the year	30,227	31,183	30,227	29,941
Analysis of cash and cash equivalents				
Cash at bank and in hand	29,898	30,504	29,898	29,262
Cash awaiting investment	329	679	329	679
	30,227	31,183	30,227	29,941

Charity law requires separate administration of the cash flows of endowed and other restricted funds of the Charity. This constraint has not adversely affected group cash flows as stated above.

The notes on pages 23 to 54 form part of these accounts.

THE WELLINGTON COLLEGE
CONSOLIDATED CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

Reconciliation of Net Debt

Combined

	Opening 1st August 2019	New Debt/Finance Leases	Debt/Finance Leases Repaid	Investment Value Movements	Cash Flows	Closing 31 st July 2020
Cash at bank	30,504	-	-	-	(606)	29,898
Cash awaiting investment	679	-	-	-	(350)	329
Total Cash	31,183	-	-	-	(956)	30,227
Advance fees	(5,290)	-	-	-	2,021	(3,269)
Borrowings due within one year	-	-	-	-	-	-
Borrowings due in more than one year	(30,000)	-	-	-	-	(30,000)
Investments held for repayment of debt	26,971	-	-	1,116	-	28,087
Finance Leases	(2,060)	-	109	-	-	(1,951)
Total Debt	(10,379)	-	109	1,116	2,021	(7,133)
Net Cash/(Debt)	20,804	-	109	1,116	1,065	23,094

Consolidated Charity

	Opening 1st August 2019	New Debt/Finance Leases	Debt/Finance Leases Repaid	Investment Value Movements	Cash Flows	Closing 31 st July 2020
Cash at bank	29,262	-	-	-	636	29,898
Cash awaiting investment	679	-	-	-	(350)	329
Total Cash	29,941	-	-	-	286	30,227
Advance fees	(5,290)	-	-	-	2,021	(3,269)
Borrowings due in more than one year	(30,000)	-	-	-	-	(30,000)
Investments held for repayment of debt	26,971	-	-	1,116	-	28,087
Finance Leases	(2,060)	-	109	-	-	(1,951)
Total Debt	(10,379)	-	109	1,116	2,021	(7,133)
Net Cash/(Debt)	19,562	-	109	1,116	2,307	23,094

The Borrowings due in more than one year are the College loan notes due for repayment in 2059. The proceeds of the loan note are currently invested to provide funds for the ultimate redemption of the loan. This investment fund is controlled separately by the Governors.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

1. CHARITY INFORMATION

The object of the College is the advancement of education (whether nationally or internationally) for the public benefit. The College meets this object through its primary aim of providing the College and by supporting, providing or assisting in the provision of other educational establishments or initiatives. The unincorporated charity incorporated under a Royal Charter dated 13th December 1853 (charity number 309093), is domiciled in the UK. The address of the registered office is Wellington College, Crowthorne, Berks RG45 7PU.

2. ACCOUNTING POLICIES

a) Basis of preparation

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) (effective 1 January 2016) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Wellington College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

No separate SOFA or Income and Expenditure Account have been presented for the College alone as permitted by the Charities SORP (FRS 102).

The surplus of the Charity for the year (excluding Wellington College Enterprises Limited and Wellington College International Limited) was £9,163k (2019: £9,591k).

Having reviewed the funding facilities available to the Consolidated Charity together with the expected ongoing demand for places and the schools' projected cash flows, the Governors have a reasonable expectation that the Consolidated Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to operate the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 14.

b) Basis of consolidation

The Wellington College (TWC) has the power under its sponsorship agreement with the Wellington College Academy Trust (WCAT) (Company number 06457394) to appoint the governors of that body. As a consequence it is considered, under FRS 102, to have control of WCAT and therefore the financial results of WCAT have to be included in the accounts of TWC, though the assets of WCAT are not available to TWC and TWC is not responsible for the liabilities of WCAT. Since control of WCAT passed to Royal Wootton Bassett Academy Trust on April 1st 2020 the financial activities of WCAT are consolidated in the SOFA up to that date, and the assets on that date are shown being transferred out in the Consolidated cash flow statement.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

b) Basis of consolidation (continued)

The following definitions have been adopted in these accounts:

Combined: WCAT and Consolidated Charity (defined below) combined

Consolidated Charity: TWC and its trading subsidiaries (the reporting entity of previous years)

Schools: the school operations of TWC and the College Trusts relating to them

The accounts of the Charity (Schools) comprise:

- i) The Wellington College
- ii) Its Funds
 - a) The Heritage Fund
 - b) Advance Fees
 - c) The Combined Trust Funds
 - d) The Fisher Endowment Fund
 - e) The Prince Albert Foundation
- iii) Eagle House

The results of the subsidiary trading companies are presented in the consolidated SOFA by disclosing the income and expenditure derived from their non-charitable trading activities separately from those of the Charity. A summary profit and loss account for the subsidiaries is included in note 7. The companies' assets and liabilities are included in the balance sheet on a line-by-line basis, in accordance with the SORP.

c) Fees receivable and similar income

Fees receivable, charges for services and use of premises are accounted for in the year in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the College, but include contributions received from designated or restricted funds for scholarships, bursaries and other grants.

d) Donations

Donations receivable for the general purposes of the Charity are credited to "other unrestricted funds", to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as "endowments" – permanent or expendable according to the nature of the restriction.

e) Resources expended

Resources expended are accounted for on an accruals basis. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Construction and repair costs, supplied to the College by its subsidiary, are capitalised or expensed and eliminated from consolidated trading income and expenditure.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

e) Resources expended (continued)

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

f) Fund accounting

Unrestricted Funds

Unrestricted funds relate to the School's general operational funds.

Unrestricted Funds – Designated

Designated unrestricted funds relate to funds which have been set aside for particular future expenditure.

Restricted Funds

Restricted funds are those which must be applied in accordance with the purpose specified by the donor. Expenditure relating to these purposes is charged directly to the fund.

Endowment Funds

Endowment funds consist of investments. The purpose to which that investment may be applied is restricted in accordance with the terms of the endowment trust.

g) Pension schemes

The Charity contributes to the Teachers' Pension Defined Benefits Scheme (TPS) at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme. The Charity also contributes to a defined contribution scheme for its non-teaching staff at 11% of annual basic pay. Wellington College, Eagle House and Wellington College Enterprises all operate an auto-enrolment defined contribution scheme with a contribution rate of 3% (from April 2020) for staff who do not wish to join the main non-teaching staff scheme. Contributions to all schemes are charged in the SOFA as they become due in accordance with the rules of the schemes.

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

g) Pension schemes (continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

h) Buildings and equipment

Capitalisation and replacement

The original College land and buildings are all listed properties and are carried at original cost. The Governors do not consider it appropriate to have these revalued.

Expenditure incurred in keeping the properties in a fit and useful condition is written off in the year it is incurred unless the subsequent expenditure provides an enhancement of economic benefits in excess of the previously assessed standard of performance, in which case it is capitalised. Items costing less than £1,000 are written off as an expense as acquired.

Depreciation

The original College buildings are not depreciated as the amounts involved would not be material. Freehold land and building work in progress are also not depreciated. Depreciation on other tangible fixed assets is provided at rates calculated to write off the excess of cost or valuation over estimated residual value over their estimated useful economic lives as follows:

Buildings, improvements and extensions	2% - 10% per annum on cost
Leasehold buildings, and improvements	2% - 10% per annum on cost
Furniture and equipment	10% - 33% per annum on cost
Computer equipment	25% - 33% per annum on cost
Motor vehicles	25% per annum on cost

i) Investments

Listed investments are carried at their mid-market value at the balance sheet date. Investment properties are carried at open market value assuming vacant possession and the investment in the subsidiary undertakings is carried at cost.

Investment gains and losses are recognised in the Statement of Financial Activities in the period in which they arise and are applied to the individual funds based on the opening capital balances of each fund, excluding investment properties which are specifically allocated.

j) Stock

Stock is carried at the lower of cost and net realisable value.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

k) Leased assets

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet and are depreciated over their useful economic lives. The interest element of these leases is charged to the statement of financial activities account over the lease period. The capital element of the future payments is treated as a liability. Operating leases are accounted for on an accruals basis throughout the life of the lease.

l) Advance Fee Scheme Payments

Amounts received under the College's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

m) Parents' Deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 July 2020 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

n) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

o) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

p) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

q) Financial Instruments

The College only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The basic financial instruments are held at amortised cost and at fair value depending upon their respective nature. See Note 28 for further information.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. SCHOOL FEES RECEIVABLE

	2020	<i>2019</i>
	£'000	<i>£'000</i>
(a) Fees receivable consist of:		
Gross fees	45,043	45,937
Less: Total bursaries, grants and allowances	<u>(3,240)</u>	<u>(3,145)</u>
	41,803	42,792
Add back scholarships, grants etc. paid for by Trust Funds	<u>1,543</u>	<u>1,611</u>
	<u>43,346</u>	<u>44,403</u>
(b) Total grants and awards paid for by Trust Funds consist of:		
Scholarships, grants etc.	850	850
Individual awards	<u>693</u>	<u>761</u>
	<u>1,543</u>	<u>1,611</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

5. ANCILLARY TRADING INCOME

	2020	<i>2019</i>
	£'000	<i>£'000</i>
Consolidated Charity		
Entrance and registration fees	643	<i>688</i>
Income from school trips	<u>964</u>	<u><i>709</i></u>
	1,607	<i>1,397</i>
Wellington College Academy Trust		
Catering Income	149	<i>220</i>
Other Income	<u>157</u>	<u><i>688</i></u>
	<u>306</u>	<u><i>908</i></u>
Combined Total	<u><u>1,913</u></u>	<u><u><i>2,305</i></u></u>

6. NON ANCILLARY TRADING INCOME

	2020	<i>2019</i>
	£'000	<i>£'000</i>
Lettings	57	<i>488</i>
Easter courses	(14)	<i>102</i>
Other	<u>57</u>	<u><i>453</i></u>
	<u><u>100</u></u>	<u><u><i>1,043</i></u></u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

7. NON – CHARITABLE TRADING:

a) Wellington College Enterprises Limited

The College owns the entire share capital of Wellington College Enterprises Limited (a company incorporated in England and Wales, company number 01259773), which provides leisure and construction services. It pays its taxable profits under Gift Aid to the College.

	2020	2019
	£'000	£'000
Turnover	2,171	4,803
Other income	<u>1</u>	<u>6</u>
Total Turnover	2,172	4,809
Administration costs	(2,178)	(4,387)
Finance costs	(3)	(3)
Transfers between funds	<u>(111)</u>	<u>(153)</u>
Operating and net profit	(120)	256
Corporation tax payable	-	-
College support/ (Gift aid)	<u>120</u>	<u>(256)</u>
Loss/profit transferred to reserves	<u><u>-</u></u>	<u><u>-</u></u>

At 31 July 2020 the total assets of the subsidiary were £1,842k (2019: £2,024k), total liabilities £412k (2019: £595k) and shareholders' funds £1,430k (2019: £1,430k). The aggregate non-charitable trading income and costs from the subsidiary included intra-group trading which are eliminated on consolidation, of £88k and £111k respectively (2019: £38k and £148k).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

7. NON – CHARITABLE TRADING: (CONTINUED)

b) Wellington College International Limited

The College owns the entire share capital of Wellington College International Limited, (a company incorporated in England and Wales, company number 06578707) which manages the setting up of Wellington schools abroad. It pays its taxable profits under Gift Aid to the College.

	2020	<i>2019</i>
	£'000	<i>£'000</i>
Turnover	3,724	<i>3,209</i>
Bank Interest Received	<u>4</u>	<u><i>7</i></u>
Total Turnover	3,728	<i>3,216</i>
Administration costs	(847)	<i>(527)</i>
Transfers between funds	<u>(356)</u>	<u><i>(251)</i></u>
Operating and net profit	2,525	<i>2,438</i>
Corporation tax payable	-	-
Gift aid	<u>(2,525)</u>	<u><i>(2,453)</i></u>
(Loss)/profit transferred to reserves	<u>-</u>	<u><i>(15)</i></u>

At 31 July 2020 the total assets of the subsidiary were £166,314 (2019: £169,818), total liabilities £146,314 (2019: £149,818) and shareholders' funds £20,000 (2019: £20,000). The aggregate non-charitable trading costs of the subsidiary included intra-group trading which is eliminated on consolidation, of £356k (2019: £251k).

c) Dormant Companies

The Wellington College Limited (a company incorporated in England and Wales)
The company was formed to protect the name of the College. The company did not trade in the year.

Wellington College International (India) Limited (a company incorporated in England and Wales)
Wellington College International (Russia) Limited (a company incorporated in England and Wales)

These companies were formed to investigate international development opportunities in the respective territories named. They did not trade in the year.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

8. INVESTMENT INCOME

	2020 £'000	2019 £'000
Consolidated Charity		
Listed investments	987	440
Bank interest received	<u>160</u>	<u>205</u>
	1,147	645
Wellington College Academy Trust		
Other investment income	<u>-</u>	<u>1</u>
Combined Total	<u>1,147</u>	<u>646</u>

9. OTHER INCOME

	2020 £'000	2019 £'000
Profit on disposal of fixed assets	<u>7</u>	<u>1,125</u>

10. ANALYSIS OF EXPENDITURE

	Staff costs £'000	Depreciation £'000	Other £'000	2020 Total £'000	2019 Total £'000
Charitable activities					
Teaching costs	16,159	-	4,232	20,391	19,654
Welfare	2,507	-	3,407	5,914	6,270
Premises	1,400	246	10,902	12,548	12,075
Support costs	<u>3,097</u>	<u>2,322</u>	<u>609</u>	<u>6,028</u>	<u>6,663</u>
School's operating costs	23,163	2,568	19,150	44,881	44,662
Grants, awards and prizes	<u>-</u>	<u>-</u>	<u>1,745</u>	<u>1,745</u>	<u>1,807</u>
	23,163	2,568	20,895	46,626	46,469
Raising funds					
Fundraising and publicity	-	-	12	12	80
Finance and other costs	-	-	1,223	1,223	2,235
TOTAL FOR SCHOOLS	<u>23,163</u>	<u>2,568</u>	<u>22,130</u>	<u>47,861</u>	<u>48,784</u>
Trading subsidiaries	<u>1,435</u>	<u>55</u>	<u>1,546</u>	<u>3,036</u>	<u>4,929</u>
TOTAL FOR CONSOLIDATED CHARITY	<u>24,598</u>	<u>2,623</u>	<u>23,676</u>	<u>50,897</u>	<u>53,713</u>
Wellington College					
Academy Trust	<u>4,081</u>	<u>732</u>	<u>1,342</u>	<u>6,155</u>	<u>9,826</u>
TOTAL COMBINED	<u><u>28,679</u></u>	<u><u>3,355</u></u>	<u><u>25,008</u></u>	<u><u>57,052</u></u>	<u><u>63,539</u></u>

Included within support costs are governance costs of £77k (2019 £52k).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

10 ANALYSIS OF EXPENDITURE (CONTINUED)

Prior Year	Staff costs £'000	Depreciation £'000	Other £'000	2019 Total £'000
Charitable activities				
Teaching costs	14,969	-	4,685	19,654
Welfare	2,463	-	3,807	6,270
Premises	1,433	37	10,605	12,075
Support costs	<u>2,989</u>	<u>2,537</u>	<u>1,137</u>	<u>6,663</u>
School's operating costs	21,854	2,574	20,234	44,662
Grants, awards and prizes	<u>-</u>	<u>-</u>	<u>1,807</u>	<u>1,807</u>
	21,854	2,574	22,041	46,469
Raising funds				
Fundraising and publicity	-	-	80	80
Finance and other costs	-	-	2,235	2,235
TOTAL FOR SCHOOLS	<u>21,854</u>	<u>2,574</u>	<u>24,356</u>	<u>48,784</u>
Trading subsidiaries	<u>1,437</u>	<u>60</u>	<u>3,432</u>	<u>4,929</u>
TOTAL FOR CONSOLIDATED CHARITY	<u>23,291</u>	<u>2,634</u>	<u>27,788</u>	<u>53,713</u>
Wellington College Academy Trust	<u>6,149</u>	<u>1,232</u>	<u>2,445</u>	<u>9,826</u>
TOTAL COMBINED	<u><u>29,440</u></u>	<u><u>3,866</u></u>	<u><u>30,233</u></u>	<u><u>63,539</u></u>
	Combined		Consolidated Charity	
Analysis of Payroll Costs	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Wages and salaries	22,942	23,817	19,745	19,106
Social Security insurance costs	2,303	2,431	2,012	2,020
Pension costs	<u>3,434</u>	<u>3,192</u>	<u>2,841</u>	<u>2,165</u>
	<u>28,679</u>	<u>29,440</u>	<u>24,598</u>	<u>23,291</u>

The average number of employees in the year in the Combined entity was 835 (2019: 960) of which 277 (2019: 290) were teaching staff. WCAT employees have been included for eight months of the year.

Neither the Governors of the Consolidated Charity nor persons connected with them received any remuneration or other benefits from the Consolidated Charity or any connected organisation. During the year, 6 Governors of the Consolidated Charity were reimbursed travel expenses totalling £1,186 (2019: 8 Governors were reimbursed £4,037).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

10 ANALYSIS OF EXPENDITURE (CONTINUED)

The number of employees of the Combined entity whose emoluments exceeded £60,000 was:

	2020	2019
	No.	No.
£60,000 - £70,000	22	22
£70,000 - £80,000	11	12
£80,000 - £90,000	1	3
£90,000-£100,000	3	3
£100,000-£110,000	1	2
£110,000 - £120,000	2	1
£130,000 - £140,000	-	1
£200,000-£210,000	1	1
£270,000-£280,000	1	1

In connection with these higher paid employees, retirement benefits are accruing under defined contribution schemes for 10 employees (2019: 7) and under multi-employer defined benefit schemes for 34 employees (2019: 39). For the people accruing benefits under the defined contribution scheme the total employer contributions were £75,414 (2019: £56,075).

Key management personnel in the Combined entity received aggregate remuneration of £1,787k (2019 £2,150k).

Termination payments made to staff came to £nil in 2020 (2019:£97,562).

11. TRANSFERS

The amount transferred between funds can be analysed as follows:

	Unrestricted	Unrestricted	Restricted	Endowed
	£'000	Designated	£'000	£'000
		£'000		
Rents and leases	(107)	107	-	-
WCI/WCE	1,800	(1,800)	-	-
Management charges	6	-	(6)	-
Transfer of				
Donations/Reclassification	<u>1,025</u>	<u>(358)</u>	<u>(469)</u>	<u>(198)</u>
Total Consolidated Charity	<u>2,724</u>	<u>(2,051)</u>	<u>(475)</u>	<u>(198)</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

12. NET INCOME/(EXPENDITURE)

	2020	<i>2019</i>
	£'000	<i>£'000</i>
This is stated after charging/(crediting)		
Profit on disposal of fixed assets	(7)	(1,125)
Auditor's remuneration:		
For audit	52	50
For other services	11	7
Payments under operating leases		
For land and buildings	-	-
For plant and machinery	515	464
Amounts credited to advance fee contracts	53	65

Audit fees (inclusive of VAT) for the Schools were £39,210 (2019: £38,070).

13. FINANCING COSTS

	2020	<i>2019</i>
	£'000	<i>£'000</i>
Bank charges and interest	<u>1,223</u>	<u><i>2,235</i></u>

In February 2019 the College issued a £30m loan note to Pricoa which is repayable in 2059. The interest rate is 3.3%. At the same time the College repaid all its outstanding loans from Allied Irish Bank and paid an interest settlement amount of £1.3m

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

14. TANGIBLE FIXED ASSETS

COMBINED	Assets in the course of construction	Freehold land and buildings	Leasehold land and buildings	Furniture and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
1 August 2019	496	80,342	35,714	8,456	556	125,564
Additions	1,909	256	-	234	35	2,434
Reclassifications	(459)	459	-	-	-	-
Transfer of WCAT to RWBAT	-	-	(35,714)	(707)	-	(36,421)
Disposals	-	-	-	(222)	(9)	(231)
31 July 2020	1,946	81,057	-	7,761	582	91,346
Depreciation						
1 August 2019	-	21,293	7,497	5,030	528	34,348
Charge for the year	-	2,169	677	468	40	3,354
Transfer of WCAT to RWBAT	-	-	(8,174)	(447)	-	(8,621)
Disposals	-	-	-	(220)	(9)	(229)
31 July 2020	-	23,462	-	4,831	559	28,852
Net book values 31 July 2020	1,946	57,595	-	2,930	23	62,494
1 August 2019	496	59,048	28,217	3,426	28	91,215

Included in leasehold land and building is recognition of the value of the land and buildings leased from Wiltshire County Council. The site is being leased over 125 years at a peppercorn rent of £100 per annum. The site is being depreciated straight line over a period of 50 years.

At 31 July 2020 the net book value of furniture and equipment includes an amount of £2,031,597 in respect of assets held under finance leases (2019: £2,105,697). The depreciation charge for the year on these assets was £74,100 (2019: £74,100).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

14. TANGIBLE FIXED ASSETS (CONTINUED)

CONSOLIDATED CHARITY

Cost	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
1 August 2019	496	80,341	7,785	556	89,178
Additions	1,909	256	199	35	2,399
Reclassifications	(459)	459	-	-	-
Disposals	-	-	(222)	(9)	(231)
31 July 2020	1,946	81,056	7,762	582	91,346
Depreciation					
1 August 2019	-	21,293	4,637	528	26,458
Charge for the year	-	2,169	414	40	2,623
Disposals	-	-	(220)	(9)	(229)
31 July 2020	-	23,462	4,831	559	28,852
Net book values 31 July 2020	<u>1,946</u>	<u>57,594</u>	<u>2,931</u>	<u>23</u>	<u>62,494</u>
1 August 2019	<u>496</u>	<u>59,048</u>	<u>3,148</u>	<u>28</u>	<u>62,720</u>

At 31 July 2020 the net book value of furniture and equipment includes an amount of £2,031,597 in respect of assets held under finance leases (2019: £2,105,697). The depreciation charge for the year on these assets was £74,100 (2019: £74,100).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

14. TANGIBLE FIXED ASSETS (CONTINUED)

<u>SCHOOLS</u>	Assets in the course of construction	Freehold land and buildings	Furniture and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
1 August 2019	496	78,727	7,412	556	87,191
Additions	1,909	256	186	35	2,386
Reclassifications	(459)	459	-	-	-
Disposals	-	-	(215)	(9)	(224)
31 July 2020	1,946	79,442	7,383	582	89,353
Depreciation					
1 August 2019	-	20,949	4,328	528	25,805
Charge for the year	-	2,134	394	40	2,568
Disposals	-	-	(215)	(9)	(224)
31 July 2020	-	23,083	4,507	559	28,149
Net book values 31 July 2020	1,946	56,359	2,876	23	61,204
1 August 2019	496	57,778	3,084	28	61,386

At 31 July 2020 the net book value of furniture and equipment includes an amount of £2,031,597 in respect of assets held under finance leases (2019: £2,105,697). The depreciation charge for the year on these assets was £74,100 (2019: £74,100).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

15. INVESTMENTS

	Combined		Consolidated Charity		Schools	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Investments at 1 August	56,609	32,736	55,720	32,176	57,170	33,626
Additions	10,864	52,772	10,864	51,941	10,864	51,941
Disposals	(5,166)	(30,999)	(5,166)	(30,450)	(5,166)	(30,450)
Transfer of WCAT investments to RWBAT	(792)	-	-	-	-	-
Revaluations	1,178	2,100	1,275	2,053	1,275	2,053
Investments at 31 July	62,693	56,609	62,693	55,720	64,143	57,170
Cash awaiting re-investment	329	679	329	679	329	679
Total Investments 31 July	63,022	57,288	63,022	56,399	64,472	57,849
Listed on the Stock Exchange	62,693	56,609	62,693	55,720	62,693	55,720
Investment in subsidiaries	-	-	-	-	1,450	1,450
Cash deposits	329	679	329	679	329	679
	63,022	57,288	63,022	56,399	64,472	57,849

The Charity carries investments at cost of £1,430,000 in Wellington College Enterprises Limited, £20,000 in Wellington College International Limited, £1 in Wellington College International (Russia) Limited, £1 in Wellington College International (India) Limited and £1 in The Wellington College Limited all of which represent 100% of the issued share capital.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

15. INVESTMENTS (CONTINUED)

	Combined		Consolidated Charity and Schools	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
UK	41,397	32,783	41,397	32,894
Overseas	21,296	22,826	21,296	22,826
Cash-UK	329	679	329	679
Investments at 31 July	<u>63,022</u>	<u>57,288</u>	<u>63,022</u>	<u>56,399</u>

Investments which comprise more than 5% of total market value of investments:

	2020	2019
Partners Master Portfolio C	60.5%	54.7%
Partners Phoenix II	8.5%	10.8%
Partners Greyhawk Fund	11.2%	9.2%
Partners Harrier Fund	6.8%	8.4%

16. STOCKS HELD FOR DEVELOPMENT

Wellington College Enterprises undertook the development of eleven houses for external sale in the period 2017-2019. The development was completed and the last house sold before 31 July 2019.

17. DEBTORS

	Combined		Consolidated Charity		Schools	
	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Fees and trade debtors	36	723	36	538	29	435
Due from group entities	-	-	-	-	153	294
Other debtors/accrued income	144	228	144	78	141	66
Prepayments	<u>297</u>	<u>370</u>	<u>297</u>	<u>234</u>	<u>249</u>	<u>202</u>
	<u>477</u>	<u>1,321</u>	<u>477</u>	<u>850</u>	<u>572</u>	<u>997</u>

The analysis of debtors for 2019 has been adjusted to bring non fee debtors of the schools into the fee and trade debtor heading.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

18. CREDITORS: Amounts falling due within one year

	Combined		Consolidated Charity		Schools	
	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Lease creditors (see note 21)	115	109	115	109	115	109
Due to Group entities	-	-	-	-	250	169
Fees received in advance	466	979	466	979	466	979
Trade creditors	1,818	1,882	1,818	1,534	1,676	1,481
Taxation and social security	579	591	579	591	559	564
Entrance fees	4,253	3,962	4,253	3,962	4,253	3,962
Other creditors and accruals	4,443	6,285	4,443	4,816	4,066	4,359
Advance fees: Deferred Income(see note 20)	<u>1,846</u>	<u>3,102</u>	<u>1,846</u>	<u>3,102</u>	<u>1,846</u>	<u>3,102</u>
	<u>13,520</u>	<u>16,910</u>	<u>13,520</u>	<u>15,093</u>	<u>13,231</u>	<u>14,725</u>

A 40 year loan note for £30m was issued to Pricoa on February 11th 2020 at a rate of 3.3% for repayment in February 2059.

The maturity of the loans included within creditors is summarised below for Combined, Consolidated Charity and Schools.

	2020	2019
	£'000	£'000
After 5 years	30,000	30,000
Within 2 to 5 years	-	-
Within 1 to 2 years	<u>-</u>	<u>-</u>
	30,000	30,000
Within 1 year	<u>-</u>	<u>-</u>
	<u>30,000</u>	<u>30,000</u>

19. CREDITORS: Amounts falling due after more than one year

	Combined		Consolidated Charity		Schools	
	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Loan note due 2059	30,000	30,000	30,000	30,000	30,000	30,000
Finance Leases (note 21)	1,836	1,952	1,836	1,952	1,836	1,952
Advance fees: Deferred Income (note 20)	<u>1,423</u>	<u>2,188</u>	<u>1,423</u>	<u>2,188</u>	<u>1,423</u>	<u>2,188</u>
	<u>33,259</u>	<u>34,140</u>	<u>33,259</u>	<u>34,140</u>	<u>33,259</u>	<u>34,140</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

20. DEFERRED INCOME-ADVANCE FEE PAYMENTS

Parents may enter into a contract to pay tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils remain at the College, advance fees will be applied as follows:

	2020 £'000	2019 £'000
After 5 years	98	78
Within 2 to 5 years	755	1,113
Within 1 to 2 years	<u>570</u>	<u>997</u>
	1,423	2,188
Within 1 year	<u>1,846</u>	<u>3,102</u>
	<u><u>3,269</u></u>	<u><u>5,290</u></u>

The balance of the fund represents the accrued liability under the contracts. The movements during the year were:

	2020 £'000	2019 £'000
Balance at 1 August	5,290	4759
New contracts	1,413	3,526
Amounts accrued to contracts	<u>53</u>	<u>65</u>
	<u>6,756</u>	<u>8,350</u>
Amounts utilised in payment of fees	<u>(3,487)</u>	<u>(3,060)</u>
Balance at 31 July	<u><u>3,269</u></u>	<u><u>5,290</u></u>

21. LEASE CREDITORS

Net obligations are payable as follows:

	Combined		Consolidated Charity		Schools	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Within one year	115	109	115	109	115	109
In 2 to 5 years	603	603	522	603	522	603
In more than 5 years	<u>1,314</u>	<u>1,348</u>	<u>1,314</u>	<u>1,348</u>	<u>1,314</u>	<u>1,348</u>
	<u><u>1,951</u></u>	<u><u>2,060</u></u>	<u><u>1,951</u></u>	<u><u>2,060</u></u>	<u><u>1,951</u></u>	<u><u>2,060</u></u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

22. ALLOCATION OF THE GROUP NET ASSETS

The net assets are held for the various funds and advance fees as follows:

Current Year	Fixed Assets £'000	Investments £'000	Net Current Assets/(Liabilities) £'000	Long Term Liabilities £'000	Total £'000
Endowment funds	-	14,859	3,179	-	18,038
Restricted funds	-	14,115	2,043	-	16,158
Unrestricted funds:					
Other designated funds	1,289	2,789	270	-	4,348
Other (Schools)	<u>61,205</u>	<u>29,653</u>	<u>12,119</u>	<u>(31,836)</u>	<u>71,141</u>
	62,494	61,416	17,611	(31,836)	109,685
Advance fee (designated)	<u>-</u>	<u>1,606</u>	<u>(60)</u>	<u>(1,423)</u>	<u>123</u>
Consolidated Charity total	62,494	63,022	17,551	(33,259)	109,808
Wellington College Academy Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Combined Net Assets Total	<u>62,494</u>	<u>63,022</u>	<u>17,551</u>	<u>(33,259)</u>	<u>109,808</u>
Prior Year	Fixed Assets £'000	Investments £'000	Net Current Assets/(Liabilities) £'000	Long Term Liabilities £'000	Total £'000
Endowment funds	-	15,110	3,127	-	18,237
Restricted funds	-	8,602	1,433	-	10,035
Unrestricted funds:					
Other designated funds	1,335	2,475	325	-	4,135
Other (Schools)	<u>61,385</u>	<u>28,715</u>	<u>10,040</u>	<u>(31,952)</u>	<u>68,188</u>
	62,720	54,902	14,925	(31,952)	100,595
Advance fee (designated)	<u>-</u>	<u>1,497</u>	<u>742</u>	<u>(2,188)</u>	<u>51</u>
Consolidated Charity total	62,720	56,399	15,667	(34,140)	100,646
Wellington College Academy Trust	<u>28,495</u>	<u>889</u>	<u>(96)</u>	<u>(1,330)</u>	<u>27,958</u>
Combined Net Assets Total	<u>91,215</u>	<u>57,288</u>	<u>15,571</u>	<u>(35,470)</u>	<u>128,604</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

23. ENDOWMENT FUNDS

Current Year	Balance 1 August 2019	Income	Expenditure	Transfers and Investment Gains	Balance 31 July 2020
	£'000	£'000	£'000	£'000	£'000
Foundation Capital	2,584	-	-	(73)	2,511
Heritage Fund	3,009	-	-	(3,009)	-
Other Trusts:					
Fisher/Heritage Fund	3,958	-	-	3,321	7,279
Scholarships, Bursaries	7,832	-	-	(83)	7,749
Prizes and other funds	854	-	-	(355)	499
Consolidated Charity Total	18,237	-	-	(199)	18,038
Wellington College Academy Trust	-	-	-	-	-
Combined Net Assets Total	18,237	-	-	(199)	18,038

The Foundation Capital represents the original endowment to provide education to children of deceased commissioned service officers under the terms of the Royal Charter of 1853, as subsequently amended.

The Fisher and the Heritage Funds have been combined in order to provide more flexible options for their use. The rules which were set up by the Governors in 1992 were rescinded and the combined fund will be used primarily for remission support.

The other special trusts consist of a number of individual trust and prize funds set up by individual donors for scholarships, prizes and bursaries.

The Foundation and other special trusts are pooled for investment, are allocated their proportion of investment income and gains and losses and bear their own expenses.

Prior Year	Balance 1 August 2018	Income	Expenditure	Transfers and Investment Gains	Balance 31 July 2019
	£'000	£'000	£'000	£'000	£'000
Foundation Capital	2,455	-	-	129	2,584
Heritage Fund	3,054	-	-	(45)	3,009
Other Trusts:					
Fisher Endowment	3,976	-	-	(18)	3,958
Scholarships, Bursaries	7,469	-	-	363	7,832
Prizes and other funds	793	-	-	61	854
Consolidated Charity Total	17,747	-	-	490	18,237
Wellington College Academy Trust	-	-	-	-	-
Combined Net Assets Total	17,747	-	-	490	18,237

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

24. RESTRICTED FUNDS

Current Year	Balance 1 August 2019	Income	Expenditure	Transfers and Investment Gains/ (Losses)	Balance 31 July 2020
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Foundation Endowment	321	114	(104)	(9)	322
Other Trusts:					
Finnis Trust	247	10	-	(7)	250
Fisher/Heritage Fund	-	32	-	-	32
Scholarships, Bursaries	5,794	487	(598)	(207)	5,476
Prince Albert Society	3,312	-	(307)	5,700	8,705
Prizes and other funds	276	99	(135)	1,054	1,294
Development	2	6,734	(2)	(6,732)	2
Building Projects	76	3	-	(2)	77
Eagle House	7	-	-	(7)	-
Consolidated Charity	<u>10,035</u>	<u>7,479</u>	<u>(1,146)</u>	<u>(210)</u>	<u>16,158</u>
Wellington College Academy Trust	<u>27,958</u>	<u>5,581</u>	<u>(6,155)</u>	<u>(27,384)</u>	<u>-</u>
Combined Total	<u>37,993</u>	<u>13,060</u>	<u>(7,301)</u>	<u>(27,594)</u>	<u>16,158</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

24 RESTRICTED FUNDS continued

Prior Year	<i>Balance 1 August 2018</i>	Income	Expenditure	Transfers and Investment Gains/ (Losses)	Balance 31 July 2019
	£'000	£'000	£'000	£'000	£'000
Foundation Endowment	381	46	(127)	21	321
Other Trusts:					
Finnis Trust	262	1	(1)	(15)	247
Fisher Endowment	-	29	(29)	-	-
Scholarships, Bursaries	4,340	179	(270)	1,545	5,794
Prince Albert Society	3,291	16	(366)	371	3,312
Prizes and other funds	959	16	(21)	(678)	276
Development	8	1,469	(145)	(1,330)	2
Building Projects	155	29	(102)	(6)	76
Eagle House	10	28	(31)	-	7
Consolidated Charity	<u>9,406</u>	<u>1,813</u>	<u>(1,092)</u>	<u>(92)</u>	<u>10,035</u>
Wellington College Academy Trust	<u>31,046</u>	<u>8,417</u>	<u>(9,826)</u>	<u>(679)</u>	<u>27,958</u>
Combined Total	<u>39,452</u>	<u>10,230</u>	<u>(10,918)</u>	<u>(771)</u>	<u>37,993</u>

These include the income reserves on each of the Endowed Capital funds plus other scholarship and bursary funds.

The Prince Albert Foundation receives donations directed at the provision of life changing bursaries for pupils who would not otherwise be able to attend the College.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

25a. UNRESTRICTED FUNDS-DESIGNATED

Current Year	Balance			Transfers and Investment	Balance
	1 August			Gains/	31 July
	2019	Income	Expenditure	(Losses)	2020
	£'000	£'000	£'000	£'000	£'000
Advance fee income	51	17	(53)	108	123
Fisher/Heritage Fund	975	32	(170)	44	881
Entry Bursary Fund	<u>3,160</u>	<u>124</u>	<u>(463)</u>	<u>646</u>	<u>3,467</u>
Schools total	4,186	173	(686)	798	4,471
Trading companies' reserves	<u>-</u>	<u>5,813</u>	<u>(3,036)</u>	<u>(2,777)</u>	<u>-</u>
Consolidated Charity Total	<u>4,186</u>	<u>5,986</u>	<u>(3,722)</u>	<u>(1,979)</u>	<u>4,471</u>
Wellington College Academy Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Combined Total	<u>4,186</u>	<u>5,986</u>	<u>(3,722)</u>	<u>(1,979)</u>	<u>4,471</u>
Prior Year	Balance			Transfers and Investment	Balance
	1 August			Gains/	31 July
	2018	Income	Expenditure	(Losses)	2019
	£'000	£'000	£'000	£'000	£'000
Advance fee income	94	30	(66)	(7)	51
Heritage Fund	998	71	(79)	(15)	975
Entry Bursary Fund	<u>1,779</u>	<u>29</u>	<u>(632)</u>	<u>1,984</u>	<u>3,160</u>
Schools total	2,871	130	(777)	1,962	4,186
Trading companies' reserves	<u>603</u>	<u>7,987</u>	<u>(4,932)</u>	<u>(3,658)</u>	<u>-</u>
Consolidated Charity Total	<u>3,474</u>	<u>8,117</u>	<u>(5,709)</u>	<u>(1,696)</u>	<u>4,186</u>
Wellington College Academy Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Combined Total	<u>3,474</u>	<u>8,117</u>	<u>(5,709)</u>	<u>(1,696)</u>	<u>4,186</u>

Designated funds include the non endowed portion of the Fisher/Heritage Fund; and the reserves of the Advance Fee Fund, Wellington College Enterprises Limited and Wellington College International Limited.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

25b. UNRESTRICTED FUNDS – OTHER

Current Year

	<i>Balance 1 August 2019 £'000</i>	<i>Incoming Resources £'000</i>	<i>Resources Expended £'000</i>	<i>Transfers and Investment Gains £'000</i>	<i>Balance 31 July 2020 £'000</i>
Retained Income-Consolidated Charity Total	<u>68,188</u>	<u>45,319</u>	<u>(45,995)</u>	<u>3,629</u>	<u>71,141</u>
Wellington College Academy Trust	-	-	-	-	-
Combined Total	<u>68,188</u>	<u>45,319</u>	<u>(45,995)</u>	<u>3,629</u>	<u>71,141</u>

Prior Year

	<i>Balance 1 August 2018 £'000</i>	<i>Incoming Resources £'000</i>	<i>Resources Expended £'000</i>	<i>Transfers and Investment Gains £'000</i>	<i>Balance 31 July 2019 £'000</i>
Retained Income-Consolidated Charity Total	<u>63,557</u>	<u>48,192</u>	<u>(46,912)</u>	<u>3,351</u>	<u>68,188</u>
Wellington College Academy Trust	-	-	-	-	-
Combined Total	<u>63,557</u>	<u>48,192</u>	<u>(46,912)</u>	<u>3,351</u>	<u>68,188</u>

26. CONTRACTS AND COMMITMENTS

At 31 July 2020 there were capital commitments of £1,758,631 (2019: £nil).

At 31 July 2020 a number of major maintenance projects were in progress. The committed expenditure required to complete these projects was £495,000.

At 31 July 2020 the Combined group had future minimum lease payments under non-cancellable operating leases as follows:

	Land and Buildings		Plant and Machinery	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Expiring in:				
In less than one year	-	-	281	413
Between two and five years	-	-	222	472
Between five and ten years	-	-	3	-
	<u>-</u>	<u>-</u>	<u>506</u>	<u>885</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

27. PENSION COSTS

Consolidated Charity

a) Teachers' Pension Defined Benefits Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,116,969 (2019: £1,487,389) and at the year-end £260,174 (2019 - £199,933) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2019 announced that there would be a review of this cost cap mechanism, in January 2020 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

b) Non teaching staff Defined Contribution Scheme

The school also runs a defined contribution scheme for its non-teaching staff. The school's contributions to the scheme during the year ended 31 July 2020 were £540,533 (2019: £541,786) at the rate of 11% of gross salary.

Wellington College, Eagle House and Wellington College Enterprises all operate an auto-enrolment defined contribution scheme for staff who do not wish to join the main non-teaching staff scheme. Contributions to this scheme were £183,709 in the year (2019: £135,804) at the rate of 5% of gross salary from April 2019 (2019:3%).

Total outstanding contributions for non-teaching schemes at the year end were £nil (2019: nil).

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

27. PENSION COSTS (CONTINUED)

Wellington College Academy Trust

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 and of the LGPS 31 March 2016.

The cost of contributions for the period September 2019 to March 2020 are included in the statement of Financial Activity on pages 18-19. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year and no funding liabilities to be included in the closing balance sheet.

For the comparative pension scheme information for the TPS and LGPS schemes please refer to the individual WCAT accounts.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

28. FINANCIAL INSTRUMENTS

	2020 £000	2019 £000
Combined Total		
Financial assets measured at amortised cost	30,408	32,270
Financial liabilities measured at amortised cost	42,465	42,655
Financial assets measured at fair value	<u>62,693</u>	<u>56,609</u>

The Combined total income expense gains and losses in respect of financial instruments are summarised below

Total income for financial assets held at amortised cost	139	191
Total income for financial assets held at fair value	1,147	646
Total interest expense for financial liabilities held at amortised cost	<u>1,223</u>	<u>2,079</u>

	2020 £000	2019 £000
Consolidated Charity		
Financial assets measured at amortised cost	30,408	30,558
Financial liabilities measured at amortised cost	42,465	40,839
Financial assets measured at fair value	<u>62,693</u>	<u>55,720</u>

The Consolidated Charity's income expense gains and losses in respect of financial instruments are summarised below

Total income for financial assets held at amortised cost	139	191
Total income for financial assets held at fair value	1,147	645
Total interest expense for financial liabilities held at amortised cost	<u>1,223</u>	<u>2,079</u>

	2020 £000	2019 £000
Schools		
Financial assets measured at amortised cost	30,160	30,087
Financial liabilities measured at amortised cost	41,922	40,302
Financial assets measured at fair value	<u>62,693</u>	<u>55,720</u>

The Schools' income expense gains and losses in respect of financial instruments are summarised below

Total income for financial assets held at amortised cost	102	184
Total income for financial assets held at fair value	1,142	644
Total interest expense for financial liabilities held at amortised cost	<u>1,149</u>	<u>2,079</u>

Financial assets measured at amortised cost comprise fee and trade debtors, amounts owed by group undertakings, other debtors and cash and cash equivalents less prepayments and VAT debtors,

Financial assets measured at fair value comprise listed investments.

Financial liabilities measured at amortised cost comprise bank loans, amounts owed to group companies, net obligations under finance leases and hire purchase contracts, trade creditors, other creditors and accruals less deferred income.

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

29. STATEMENT OF FINANCIAL ACTIVITIES: COMPARATIVE YEAR DETAIL

Year to July 2019	Schools	Unrestricted	Designated	Restricted	Endowed	Consolidated Charity	WCAT Restricted	Combined 2019
	£'000		£'000	£'000	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM								
Charitable activities								
School fees receivable	44,403	-	-	-	-	44,403	-	44,403
Funding for school operations	-	-	-	-	-	-	7,239	7,239
Ancillary trading income	1,397	-	-	-	-	1,397	908	2,305
Other trading activities								
Non-ancillary trading	1,043	-	-	-	-	1,043	-	1,043
Non-charitable trading	-	7,974	-	-	-	7,974	-	7,974
Investments								
Investment income	192	137	316	-	-	645	1	646
Voluntary Sources								
Donations and capital grants	38	-	1,497	-	-	1,535	269	1,804
Other Income	<u>1,119</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,125</u>	<u>-</u>	<u>1,125</u>
Total Income	<u>48,192</u>	<u>8,117</u>	<u>1,813</u>	<u>-</u>	<u>-</u>	<u>58,122</u>	<u>8,417</u>	<u>66,539</u>

THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

Year to July 2019	Schools	Unrestricted	Designated	Restricted	Endowed	Consolidated	WCAT	Combined
	£'000		£'000	£'000	£'000	Charity	Restricted	2019
						£'000	£'000	£'000
EXPENDITURE ON								
Charitable activities								
School operating costs and grant making	44,681		708	1,080	-	46,469	9,826	56,295
Raising funds								
Non-charitable trading	-		4,929	-	-	4,929	-	4,929
Fundraising costs	80		-	-	-	80	-	80
Financing costs	2,151		72	12	-	2,235	-	2,235
Total expenditure	<u>46,912</u>		<u>5,709</u>	<u>1,092</u>	-	<u>53,713</u>	<u>9,826</u>	<u>63,539</u>
NET INCOME BEFORE GAINS	<u>1,280</u>		<u>2,408</u>	<u>721</u>	-	<u>4,409</u>	<u>(1,408)</u>	<u>3,001</u>
Investment (losses)/gains	1,183		73	307	490	2,053	47	2,100
Transfers between funds	2,168		(1,769)	(399)	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	-		-	-	-	-	(726)	(726)
NET INCOME/(EXPENDITURE)	<u>4,631</u>		<u>712</u>	<u>629</u>	<u>490</u>	<u>6,462</u>	<u>(2,008)</u>	<u>4,374</u>
Total funds brought forward		<u>67,031</u>		<u>9,406</u>	<u>17,747</u>	<u>94,184</u>	<u>30,046</u>	<u>124,230</u>
TOTAL FUNDS CARRIED FORWARD		<u>72,374</u>		<u>10,035</u>	<u>18,237</u>	<u>100,646</u>	<u>27,958</u>	<u>128,604</u>

**THE WELLINGTON COLLEGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

30. RELATED PARTY TRANSACTIONS

The Academy Trust had transactions with the sponsor, Wellington College, relating to £39,727 in sales from the Academy to Wellington College (2019 £32,081) and £nil in purchases by the Academy from Wellington College (2019 £ nil).

Donations of £nil were made by Wellington College to the Wellington College Academy Trust in the year (2019 £141,134).

31. POST BALANCE SHEET EVENT

The effects of Corona virus and the measures taken to control it by the Government continue to require changes to the way that Wellington College is operating its schools. College management and the Governors are continually reviewing the situation and are confident that the College is in the best possible position to deal with further effects as they may arise.