

Company Registration Number 4241702  
Charity Number 1092000

**MOORLANDS COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2019**

**MOORLANDS COLLEGE**

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**For the year ended 30 June 2019**

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## **MOORLANDS COLLEGE**

### **ADMINISTRATIVE INFORMATION For the year ended 30 June 2019**

Charity Name:	Moorlands College
Registered Office and operational address:	Moorlands College Sopley Christchurch Dorset BH23 7AT
Registered Charity Number:	1092000
Company Number:	4241702
The Trustees:	Siân Baker (appointed as Trustee in Jun 2019) Keith Brown Blair Crawford (resigned as Trustee in Nov 2018) Ruth Flanagan John Fowler (resigned as Trustee in Nov 2018) Tim Goulding (Treasurer) John Hurley Jon Loose Steve May-Miller (Chair) Don McQueen Janice Tuck
Company Secretary:	David McLellan
Senior Management Team:	Principal: David Hilborn (appointed 14 Jan 2019) Previous Principal: Steve Brady (resigned 30 Nov 2018) Vice-Principal (Development): Colin Bennett Vice-Principal (Quality): Ian Kirby Vice-Principal (Academic): Andy du Feu Vice-Principal (Strategy): Ian Coffey Director of Operations: David McLellan
Auditors:	Jacob Cavenagh and Skeet (appointed from Apr 2019) 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers:	Bank of Scotland plc 3 Town Quay Southampton Hampshire SO14 2AQ

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES For the year ended 30 June 2019**

The Trustees are pleased to present the annual and strategic report (which includes the Directors' Report required by company law) and financial statements for the year ended 30 June 2019.

#### **Structure, governance and management**

##### **Governing document**

The College is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 May 2002. The company was established under a Memorandum of Association that established the objects and powers of the charitable company; these were incorporated into the Articles of Association in 2010, and those Articles of Association now comprise the primary governing document. In the event of the company being wound up members are required to contribute an amount not exceeding £10. The Articles of Association were revised during the year, in step with a new Governance Policy adopted in Jan 2019 (and aligned to the Council of University Chairs' Code of Governance), and these were approved by the Charity Commission in June 2019.

##### **Organisational structure**

The College is governed by Directors, who are also Trustees for the purposes of charity law. Throughout this report they are collectively referred to as Trustees, and together they form the Board of Trustees, responsible for making strategic decisions. The Trustees who have served during the year are set out on page 1. In accordance with the Articles of Association, revised in June 2019, each Trustee is appointed for a term of three years and is required to retire at the end of that term, although they may be eligible for reappointment; Trustees must stand down for at least one year after three consecutive terms. No remuneration is paid to Trustees in the role of Trustee; expenses can be reimbursed for travel to Board meetings, for the cost of care for dependants or, for the Chair only, loss of income. Payments to Trustees for work in other capacities (usually teaching) are disclosed in Note 4 of the Financial Statements. The Trustees are supported administratively by an employee of the College in the role of Clerk to the Board.

The Senior Management Team (SMT) are the key management for day-to-day operation of the College. SMT members attended Board meetings during the year for the majority of items. The processes to appoint and set pay for SMT members are determined by the Trustees. The Trustees review staff salaries annually and take note of the CPI, cost of living and the financial situation of the College. There is no automatic entitlement to an annual salary increase. The Trustees wish to ensure that College pay levels are appropriate both to the experience and responsibilities carried by staff members and to the market sector. To achieve this, more detailed reviews with external benchmarking are occasionally carried out.

In November 2018, Rev Dr Steve Brady, having been in post as Principal since 1999, resigned to take up a church-based role of senior pastor. The Trustees appointed Rev Dr David Hilborn as Principal from January 2019. David's prior role was as Principal at St John's College, Nottingham, having previously held posts with St Mellitus College and the Evangelical Alliance. Steve Brady continues to be associated with Moorlands in the capacity of President of the College.

##### **Recruitment and appointment of new Trustees**

The range of experience and professional expertise of our Trustees is kept under review and, when seeking to appoint new Trustees, full consideration is given to any perceived gaps. New Trustees are normally identified through personal contact of existing Trustees, with the process then managed by the Nominations Committee. The Trustees have power to appoint additional Trustees; there is no maximum but the number of Trustees should never be less than five. Prospective Trustees will normally be invited to two or three Board meetings, to observe how the Board functions, before an appointment is processed.

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

#### **Trustee induction and training**

New Trustees are inducted in accordance with a formalised procedure, meeting with key staff, and receiving details of the legal and governance structures of the College, and background to the history and current issues under consideration by the Board. Training needs of the Board and its individual Trustees are reviewed on a regular basis by the Board in conjunction with an annual self-assessment of Board performance. Trustees are regularly informed as to external trustee training courses that are available.

#### **Risk management**

The Trustees, through the Audit and Risk Committee (ARC), examine the major risks that the College faces each year, when reviewing and updating the risk register. The risk register outlines the most significant governance, academic, planning, operational, human resources, financial and external risks, and the control and monitoring processes in place to mitigate or eliminate the risks. Progress on further actions identified to mitigate risks or improve control processes are monitored and reported back to ARC and to the Board as required. Two of the major risks are loss of income through low student numbers, mitigated by continuous marketing and maintaining the quality of our educational provision; and the impact of government and regulatory requirements, mitigated by carefully meeting current submission deadlines and developing positive relationships to monitor future change.

#### **Advisors**

Details of the College's auditors and bankers are disclosed on page 1. During the year, the College carried out a review of its audit provision and, in April 2019, appointed Jacob Cavenagh and Skeet as its auditors. During the year the College has also used the consultancy services of Ellis Whittam to provide advice and support in employment law and HR, health and safety, and food safety management within the College.

#### **Committees**

The Trustees appoint Committees, comprising representatives of the Board, supported by staff, including the new post of Clerk to the Board, to undertake the detailed oversight of activity and inquiry in several areas, with a duty to report back and recommend to the Board of Trustees. These were revised during the year, in line with a new Governance Policy introduced in January 2019, and now comprise:

Finance and Resources: T Goulding (Chair), J Hurley, D McQueen; with D Hilborn, D McLellan  
Audit and Risk: K Brown (Chair), J Loose, J Tuck; with D Hilborn, I Kirby, J Hazlett, D McLellan  
Nominations: S May-Miller (Chair), J Hurley, J Tuck; with D Hilborn, T Mantell  
Remuneration: S May-Miller (Chair), K Brown, T Goulding; with D Hilborn, D McLellan.

There is also a Student Bursary awards committee, comprising D Hilborn and J Tuck, which approves applications for bursary funding from existing students.

There are also three working groups, covering Strategy, Degree Awarding Powers, and Recruitment Marketing and Fundraising, to which Trustees provide input and advice.

#### **Links with Other Educational Institutions**

Links with the University of Gloucestershire have continued, both to maintain the validation requirement and also to facilitate improvement of academic standards at the College. Effectiveness of the partnership between the University and the College is monitored by a major review every five years, the most recent being May 2015, and a new five-year collaborative agreement was signed during 15/16.

We have also maintained contact with like-minded theological colleges through informal networks of Principals, Bursars, PR and Facilities staff. The College works in partnership with South West Youth Ministries (SWYM) to administer the delivery of our BA degree course via Moorlands South West. The partnership with SWYM was reviewed during the year and continues to operate effectively.

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

#### **Accreditations**

Since October 2018, the College has been registered with the Office for Students (OfS) as a Higher Education Provider (Approved Fee Cap status). By this, our BA and MA courses are designated, at full-time and part-time levels, for support through Student Finance. This loan support can be accessed by eligible students from all parts of the UK. As required by OfS registration, we participate in the National Students Survey and provide data to the Higher Education Statistics Agency.

Our Youth and Community Work BA Applied Theology degree is validated by the National Youth Agency as meeting the Joint Negotiating Committee professional standards for youth workers. This validation was renewed for five years in July 2014. A major review is scheduled for September 2019.

The College has been assessed by Quality Assurance Agency (QAA) as meeting UK expectations for the academic standards of awards offered, and the quality, information and enhancement of student learning opportunities provided, through our undergraduate and postgraduate degree courses. A major QAA assessment was carried out in May 2018 with a monitoring review in May 2019.

The College is also recognised by the MOD as an approved learning provider for training service personnel.

We work within the Home Office Prevent Duty framework to recognise and reduce risks of radicalisation.

#### **Objectives and activities**

##### **Charitable Objects**

The object of the College is to maintain, advance, and promote the Christian religion and, in particular, to conduct a college for the study and teaching of the Bible and the training of Christian ministers, teachers and workers in accordance with our agreed Statement of Faith.

##### **Vision and Mission**

The vision of the College is summarised by the statement:

*Equipping people, passionate about Jesus Christ, to impact the church and the world.*

Our mission is to lengthen and strengthen the College's activity as a teaching and training community, to pursue growth, development and expansion alongside depth, stability and continuity.

#### **Achievements, performance and public benefit**

The College has just celebrated its 70<sup>th</sup> anniversary and continues to train men and women who wish to make a difference in society and the world through their work in churches, youth work, education, social care, community work and NGOs. Most of our undergraduates are involved in weekly community service as part of their course. This supervised work takes place in local churches and other agencies and is an integral part of their training. Our graduates go on to impact people of all ages in many areas of society in the UK and around the world. The College aims to keep in touch with societal needs through the operation of professional advisory groups, contact with graduates, other contacts working at the 'cutting edge', and partnership arrangements.

Following legislative changes in the Higher Education sector, the College successfully, in October 2018, became registered with the Office for Students as a Higher Education Provider (Approved Fee Cap status).

In June 2019, the College was awarded a two-year silver rating in the Teaching Excellence and Student Outcomes Framework (TEF), a national exercise that assesses excellence in teaching at universities and colleges across England. The silver award is given for delivering high quality teaching, learning and

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

outcomes for its students, and consistently exceeding rigorous national quality requirements for UK Higher Education. The TEF panel particularly praised the College for the 'excellent physical and digital resources and extensive investment in online platforms', 'personalised learning supported by a robust personal tutoring system that is appreciated by students and secures high levels of engagement and commitment to learning', and the 'high levels of staff engagement with scholarly activities leading to a research informed curriculum which is highly valued by students'. With a silver award, the College is the highest rated non-denominational theological college.

A similarly positive picture is painted by the results of the National Student Survey (NSS), which independently gathers students' opinions on the quality of their courses. For 2019, the College received an overall satisfaction rating of 94%, 10% higher than the sector average. We have maintained high responses, scoring 90% or more in 17 of the 27 measures, and doing particularly well in the categories of teaching, learning opportunities, learning community and student voice.

At a much more local level of public benefit, Christchurch campus students served Sopley village community through a volunteer clean-up project, and the Sopley Festival was held, free of charge, on campus grounds. Our campus premises are also occasionally used by local churches for their Sunday services and other meetings.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

#### **Student beneficiaries, funding sources and fees**

Our undergraduate and postgraduate students are primarily drawn from across the UK and range in age from 18 to 60.

A high percentage of the UK undergraduate and postgraduate students are able to obtain funding support through government-funded student loan financing, and many augment this with personal support through grant-funding charities and churches. In addition, the College has provided bursary support to students in need, awards being considered on a case-by-case basis by a bursary committee. In the past year, the College made fee bursary awards, totalling £11,463 (17/18: £1,500), to 10 students, plus smaller personal financial hardship awards, totalling £2,161 (17/18: £1,074), to 10 students. The College also provides some advice to students applying to grant-making organisations that may provide additional bursary or funding assistance.

Our tuition fees and accommodation and catering charges have been maintained broadly in line with the norm within the non-government-funded bible college sector. Fees are set on an annual basis with the objective of achieving a breakeven operating budget position, after allowing for inflation and the anticipated level of other income and gifts.

The College agreed an Access and Participation Plan for 2019-20 with the Office for Students. This maps out how the College will widen access to Higher Education for those from disadvantaged backgrounds, support their success and enhance their progression to professional jobs or further studies. A further plan is in process of being agreed for 2020-25.

#### **This year's activities**

The principal activity of the College during the year has been the provision of full time courses in biblical, theological and related studies alongside vocational training and personal development. This is in accordance with the Memorandum and Articles of Association. During 18/19, the total number of students involved across the full range of our training totalled 642 (approx 226 Full Time Equivalent).



## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

#### **1 Continuing course delivery**

The total number of student learners engaged during the year on our degree training courses was 272 (17/18: 274). At the graduation ceremony in November 2018, 19 MA degrees, five Postgraduate Diplomas and Certificates, and 52 BA degrees were awarded; these included one MA graduate with Distinction and nine BA graduates with first class honours. Four other students were awarded HE Certificates. Of the 48 BA students due to graduate with a degree in October 2019, 88% have gained first or upper-second class honours, with the award of a further 14 MA degrees expected, three of those awarded with distinction.

In continuing the provision of our range of degree courses, we have had regular positive feedback from our External Examiners and the University of Gloucestershire about the high standard of those courses. In addition, as noted on page 4, the College has been awarded a TEF silver rating for delivering high quality teaching, learning and outcomes for its students, and consistently exceeding rigorous national quality requirements for UK Higher Education. Also noted previously, the NSS results show an overall satisfaction rating of 94% from our students.

Around 80% of our students have at least one characteristic of disadvantage, by the standard terms of OfS. The College provides a range of support in specific areas of Learning Assistance and sees a high ratio of students accessing this. Approximately 20% of all BA students received learning support in the year. This helps to ensure that our training is accessible by a wide range of students, from differing academic backgrounds. During the year, our Learning Support team was audited to measure compliance to the Quality Assurance Framework and this confirmed that the requirements of the framework are fully met.

#### **2 Regional centres and related development**

The approach of regional centres has been a strategic initiative developed to extend the College's geographical reach in undergraduate degree courses, and to increase the study options available to students. The College's two regional centres, Midlands and South West, are now well established and integrated. During 18/19, there were 38 undergraduate students at the Midlands Centre and 30 in the South West. An initiative to launch a Foundation Year at the Midlands Centre has been deferred until September 2020.

The past year has also involved marketing, relationship-building and groundwork for the widening of our regional centres approach. It had been hoped to launch a South East Centre in September 2018, but this had to be postponed, as a feasible cohort size was not achieved. The potential for centres in other regions has continued to be explored.

During the year the College entered into a significant new collaboration with Wycliffe UK Ltd to operate a School of Language and Scripture, to provide appropriate academic and professional training and qualifications for translation, literacy and language development workers. The focus of the School will be to provide postgraduate courses of study including an MA in Language, Community and Development, validated by the University of Gloucestershire, and teaching has commenced in August 2019.

We continue to make use of NCFE accreditation of our level 3 (pre-degree) modules as part of the customised award known as Engaging with Applied Theology (EAT). We have worked with Equip Northeast, running EAT for 11 students, where there is also interest and potential for a further regional centre; with Kerith Academy Bracknell (6 students); and with South West Youth Ministries (20 students) where we have extended the partnership to include an award in Christian Leadership (4 students).

We have worked again with Catalyst, ChristCentral and Regions Beyond, three of the New Frontiers spheres, to provide certificated theological training to some 59 students. That type of course is designated as a Moorlands Certificate / Diploma (badged) course and this approach has also been used widely: Crown Jesus Ministries in Belfast (47 students); Green Pastures in Ballymena (10 students); Discipling the Nations College in Lichfield (25 students); PAIS UK (6 students); Kinetic Network (4 students); Kings Community



## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

Church in Southampton (3 students) and Institut Biblique de Nogent in France (2 students). Such pre-degree ventures strengthen our ability to recruit individuals onto the BA course, and several students have already made that move.

#### **3 Improvement of course management and quality**

Following legislative changes in the Higher Education sector, the College successfully, in October 2018, became registered with the Office for Students as an Approved (Fee Cap) Provider of HE. This ensures, inter alia, that our undergraduate and postgraduate students can access Student Finance loans.

Government regulation of providers of Higher Education requires that our degree courses meet the standards required by the Quality Code, overseen by the Quality Assurance Agency for Higher Education (QAA). The College fully meets the QAA standards for academic quality and financial sustainability, as assessed by reviews in May 2018 and May 2019. As mentioned above, in June 2019, the College was awarded a two-year TEF silver rating, a national exercise that assesses excellence in teaching at universities and colleges across England. With a silver award, the College is the highest rated non-denominational theological college.

During the year, the College carried out Periodic Reviews of the BA and MA Applied Theology programmes, involving representatives from the University, the student body and external advisers.

We continue to encourage professional development of our staff as an important contributor in improving quality. In April, with support from The Bible Society, we hosted and managed a successful Practical Theology Conference, involving over 70 participants from around the country. Several of our staff and students spoke at the conference. Regular staff training events are held through the year; a specific focus in the past year has been awareness of Mental Health issues, an area of concern for many students.

We subscribe to the Higher Education Statistics Agency and the NSS, providing information to public bodies about the outcomes and levels of student satisfaction of our degree courses. NSS scores show that our levels of student satisfaction are well above national averages. As required by the government, we have, during the year, reviewed processes and risks to ensure that the College meets its duty to prevent students from being drawn into extremist activities, including terrorism.

#### **4 Lifelong Learning**

During the year, at our main Christchurch campus, we ran a further series of evening class sessions, known as Equipped and attended by 80 people, which covered the topics: Access to Theology, and Ministry in the Third Age. Sessions covering both the Old Testament and Biblical Counselling were also facilitated through churches in Exeter with around 40 participants. A certificate course in Christian Community Development and Evangelism was held over six Saturdays in London, in association with The Message and London City Mission, in which 15 students participated.

In partnership with Catalyst Training, two one-week courses in Mentoring were held involving a total of 38 students. Several ad hoc one-day or evening events were used in Christchurch and Birmingham to increase awareness of local Christian leaders in a range of topics including Children and the Church, Children and Families Ministry, Living Christianity, the 3:15 Youth conference, and the rap artist Guvna B.

To mark our 70th Anniversary as a College, and the launch of the School of Language and Scripture, staff and students read through the entire Bible over a week in May, streaming the readings on Facebook Live, and covering 1,189 chapters in six days.

#### **5 Campus Facilities**

On the Christchurch campus, before the start of the academic year, the roofs of various residential buildings were stripped and refurbished, improving weather resistance and extending their life. The toilets

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

in the academic building were fully refurbished, and improvements were made to the CCTV system and to some of our campus bedrooms. Signage around the campus was replaced, and we improved library facilities at both the Christchurch campus and the regional centres. We have continued to move computer systems to cloud-based facilities, increased the capacity of our fibre optic broadband and replaced older computers. The leased car used for student placements was purchased outright and augmented by another small car that was gifted to the College. The five star rating of our catering facilities was extended, following an inspection check by Environmental Health.

#### **6 Fundraising and Recruitment**

In line with reporting requirements included in the Charities Act 2016 the Trustees confirm that all fundraising is done in compliance with best fundraising practice. All fundraising activities follow traditional methods, recognised as ethical for many years, and during 2018/19 we did not employ any professional fundraisers. There were no complaints or criticisms during the year about our fundraising activities.

Fundraising through the year focused on enthusing potential donors and sharing our vision for the future. Smaller, undesignated gifts have been allocated to our general fund. A number of small regular gifts are designated by donors for our Student Bursary Fund or for the Brenda Brady Bursary Fund, a restricted fund that is being used to enhance the student experience at the College.

We continued to benefit from the generous financial support of the Moody Bible Institute, through a five-year partnership to support teaching and events in Apologetics and Evangelism. A further trust has been providing partial support for a senior teaching post, while another is assisting the College with strategic development, as we aim to maximise opportunities to widen and strengthen our course provision, and fulfil our mission and vision.

#### **Financial Review**

##### **Income**

The total income for the year amounted to £2,042,577 (17/18: £2,073,871). Our primary source of income is the unrestricted income of student fees plus charges for the provision of our training and development courses. The total income in 18/19 arising from our charitable activities totalled £1,950,132 (17/18: £1,930,700).

Fundraising activity, with a little from the letting of our buildings to groups for holiday/non-educational purposes, generated income of £88,828 (17/18: £139,274). Included in this were donations of £15,915 (17/18: £59,029) for bursary funds and £1,379 (17/18: £nil) for new projects. Bank interest income from College funds totalled £3,617 (17/18: £3,897).

##### **Expenditure**

Expenditure in the year totalled £2,175,047 (17/18: £2,231,270). Of this, £6,429 (17/18: £754) was spent on fundraising and other income-generating activity. Expenditure on main charitable activities was £2,168,618 (17/18: £2,230,516), which included depreciation charges of £117,247 (17/18: £176,432), and student bursary grants of £13,624 (17/18: £2,574). Capital expenditure spent on buildings, plant and equipment, totalled £149,893 (17/18: £99,835) of which £116,111 (17/18: £72,371) related to buildings investment.

One exceptional item of expenditure reflects the Trustees' decision in June 2019 to write off a debt of £113,500. This debtor was provided for in the 17/18 accounts but legal advice received during the year has concluded that the likelihood of recovery is less than 50%. Alternative approaches for recovering this debt are being pursued, but the amount has been removed, as a bad debt, from the balance sheet. This item accounts for 85% of the deficit in 18/19.

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

#### **Financial Health**

The balance sheet shows that the College has assets in excess of liabilities. Land and freehold property is shown as the sum of purchase price and construction cost. The most recent market valuation of the College land and buildings was obtained in September 2007, which showed a market value of £3.2 million. The net book value of land and buildings is shown in note 5 as £4,529,284 (17/18: £4,452,673). At 1 August 2019, the buildings were insured for £11,640,826 (17/18: £11,247,175) in line with the insurance company's valuation of rebuilding costs.

Under Financial Reporting Standard 102, unconditional multi-year donations are accrued as and when committed, not when actually received. As at 30 June 2019, £nil (17/18 £62,500) of the balance of the Miscellaneous Restricted Funds comprised such accrued donations, held in advance of relevant expenditure being incurred in future years.

The Trustees consider that the financial health of the College is satisfactory at the end of the year, with essential free reserves of £772,115 (17/18: £820,048), which equates to over four months' normal operating expenditure, plus additional designated and restricted funding available to fund continuing investment in the campus facilities and strategy implementation.

#### **Investment Policy**

The Trustees' investment powers are governed by the Memorandum and Articles, which permit the College's funds to be invested in stock funds, shares, securities or other investments or property. All the funds currently held are for operational and short-term purposes, rather than investment purposes, and are held in a range of bank deposits. Therefore bank interest is the only investment income earned by the College during the year.

#### **Reserves Policy**

The College regularly reviews its reserves policy, covering both the purpose and levels of reserves held by the College, ensuring they remain appropriate to current levels of activity and proposed strategic developments. Note 9 to the financial statements shows the assets and liabilities attributable to the various funds by type. Note 8 describes the various funds of the College, summarises the year's movements on each fund, and shows the amounts held in each fund at the end of the year.

Unrestricted general funds amounted to £385,142 (17/18: £406,508) at the year-end, which are freely available funds, to apply to future activities as required. In addition, the College holds a designated contingency reserve of £186,300 (17/18: £186,300) for use should the annual operating budget and general fund fall into deficit.

The College also holds a designated fund for the purposes of funding the costs of cyclical refurbishment and maintenance of the College buildings, in order that we can aim to continue to maintain the buildings and upgrade the facilities in accord with the long-term development programme. The balance at year-end was £200,674 (17/18 £227,240). As the Trustees could readily re-designate these monies in the event of a financial crisis, this fund is regarded, together with the general fund and the contingency reserve, as part of the essential free reserves of the College.

The Trustees have concluded that target reserves of at least three and, preferably, between four and six months of average operating expenditure are required to meet working capital needs for normal operational purposes, and to cover financial obligations in the event of a financial crisis. The level of essential free reserves at the end of the year covers just over 4¼ months activity at £181,300 per month.

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

Other restricted or designated funds are held to finance building development, student bursary awards and programme development, as detailed in note 8 to the financial statements, the balances of which are considered satisfactory to meet the projected needs of the College for the immediate future.

#### **Plans for Future Periods**

The Trustees have approved a range of strategic principles covering the period up to 2024. These emerge from and are grounded in the vision, mission, ethics, ethos and values of the College. In line with the mission statement, they are categorized as “lengthening”: pursuing growth, development and expansion, and “strengthening”: pursuing depth, stability and continuity:

#### **Student recruitment**

- Widen access and participation in higher education at the College
- Maintain campus-based students at a level that makes proper use of the facilities at Christchurch

#### **Geographical reach**

- Make the College’s courses accessible to anyone living in the UK wishing to study applied theology
- Widen the geographical reach of the College through establishing new regional centres
- When legislative and political constraints permit, encourage students from beyond the UK to study at the College

#### **National and international profile**

- Forge productive partnerships with like-minded organisations, delivery partners and alumni that will make the College more widely known in the UK and beyond, not restricted by its physical locations

#### **Influence**

- Influence the wider Christian community and society
- Serve and support the local community of Christchurch in appropriate ways
- Resource and inspire Christian leaders
- Provide encouragement in ministry and long term relational support to former students

#### **Range of courses**

- Widen the portfolio of applied theology courses offered by the College

#### **Academic quality**

- Review continuously all aspects of course content and delivery in order to constantly improve quality of teaching and all aspects of delivery and maintain national standards
- Demonstrate thought-leadership by addressing contemporary cultural, pastoral and theological issues
- Encourage academic leadership and influence through research, publishing and engagement with the wider academic community
- Ensure that all students are engaged in the monitoring and review of their studies
- Recruit academic and support staff of high calibre

#### **Governance**

- Ensure the ongoing re-affirmation of the evangelical Christian beliefs at the core of the College.
- Give clear and effective leadership to the College at Board and management levels, ensuring that vision, mission, values and relevant strategic goals are understood and pursued
- Ensure that robust systems and structures exist, within which the Board and the College management can operate effectively and with appropriate accountability
- Ensure that the student voice is heard and taken account of at all levels of the College
- Plan ahead for operational continuity and leadership succession



## MOORLANDS COLLEGE

### ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019

#### Financial stability and resourcing

- Continue the development of a healthy financial culture, enabling confident medium and long-term planning
- Develop income streams other than student fees, reducing dependency on student numbers and enabling strategic planning and development
- Take the costs and risks associated with validation arrangements under the College's own control, investigating and determining whether to apply for Degree Awarding Powers
- Make best use of the College buildings, campus and other assets both physical and intellectual

#### Key Priority Objectives associated with these principles and agreed by the Trustees are that:

- By 2023-4 we shall see student undergraduates at current locations increase by 5% based on 2019-20 numbers
- By 2023-4 we shall open two more regional centres in the UK that are viable both educationally and financially
- By September 2023 we shall have developed at least three new partnerships with Christian agencies, that will provide access to a broader marketplace and increased recruitment
- By September 2023 our influence will have increased significantly, demonstrated by
  - hosting a series of successful theological conferences through the period 2019-23
  - increased publication of books and papers by staff
  - increase of staff speaking at churches, conferences and large-scale events
  - increased presence of staff on national and international boards
- By September 2023 we will have attained Degree Awarding Powers
- By November 2023 we will have a full strength Board of Trustees, representative of the evangelical constituency across the UK, with a range of appropriate skills, providing effective governance and leadership of the College
- By June 2024 we will have a reserves cover of 6 months operating costs
- By September 2023 we will have grown in the quality of our academic delivery reflected in external benchmarking.

Our undergraduate degree student intake for 19/20 is expected to be 52 for all our BA courses, slightly lower than average for the last few years. Our intake for MA Applied Theology has dipped to 16, although that is augmented by an intake of 16 students for various courses run by the School of Language and Scripture, which has now started teaching, initially from premises in Gloucester, with the intention of it relocating soon to Christchurch. As stated in the Key Priority Objectives above, a growth in degree-course recruitment will be an important focus during 19/20 and the subsequent years.

The development of Regional Centres aims to provide flexibility of study modes and locations to students. As mentioned previously, we will continue to research opportunities and partnerships in other regions to extend the approach of developing further Centres. A recent press release announced our partnership with Youth Link: NI to set up a new Regional Centre, delivering BA degrees partly in Belfast and partly in Christchurch from September 2020.

New opportunities provided by the Higher Education Review Act continue to be pursued. We will work through the objectives of our Access and Participation Plan and, aiming to ensure that all aspects of our work meet best practice quality, we will move towards submitting an application for Degree Awarding Powers.

Two important milestones during 19/20 will be the five-yearly revalidation review by the National Youth Agency of our BA Applied Theology (Youth and Community Work), and preparation for a renewal of the five-year validation agreement with the University of Gloucestershire, due in August 2020.

We are launching an initiative called Friends of Moorlands to strengthen our engagement with alumni and their churches or key organisations, build a strong base of 700 befriending churches who see Moorlands

## **MOORLANDS COLLEGE**

### **ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2019**

as the first port of call for training, and to assist with fundraising. A part-time fundraising post is planned to help resource this initiative.

Also planned is a Digital Learning post to assist in transforming the College's learning and teaching environment to meet current or emerging digital opportunities, especially in the area of blended learning.

Finally, the year's planned facility development includes the refreshing of the rooms on one of our residential corridors, refurbishment of the main residential toilets, and installation of an electric car charging point. We will aim to maximise use of our campus premises for students during term time – bedroom occupancy at the start of the academic year is 98% – and to generate letting income at other times of the year.

#### **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Moorlands College for the purposes of company law) are responsible for preparing the annual report of the Trustees and the financial statements in accordance with applicable UK law and accounting standards (see Note 1).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the College and of the income and expenditure of the College for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK 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 College will continue in operation.

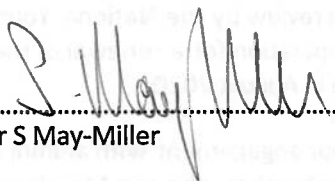
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


#### **Information provided to Auditors**

In so far as the Trustees are aware:

- there is no relevant audit information of which the College's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Trustees on 29 November 2019 and signed on their behalf by:

  
.....  
Mr S May-Miller

  
.....  
Mr T Goulding

## MOORLANDS COLLEGE

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOORLANDS COLLEGE FOR THE YEAR ENDED 30 JUNE 2019

#### Opinion

We have audited the financial statements of Moorlands College (the 'charity') for the year ended 30 June 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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



## MOORLANDS COLLEGE

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOORLANDS COLLEGE FOR THE YEAR ENDED 30 JUNE 2019 (continued)

#### Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 12, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

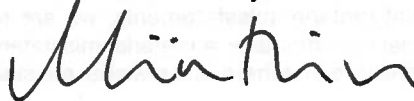
#### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Miriam Hickson FCA (Senior Statutory Auditor)**

for and on behalf of Jacob Cavenagh & Skeet

Statutory Auditor

Chartered Accountants

5 Robin Hood Lane

Sutton

Surrey

SM1 2SW

Dated: 6/12/2019

# MOORLANDS COLLEGE

## STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) For the year ended 30 June 2019

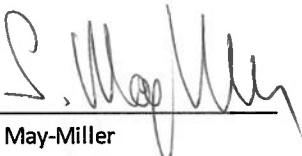
	Unrestricted general fund 2019	Designated funds 2019	Restricted funds 2019	Total 2019	Unrestricted general fund 2018	Designated funds 2018	Restricted funds 2018	Total 2018
Note	£	£	£	£	£	£	£	£
<b>INCOME</b>								
<b>Income from generated funds:</b>								
Donations and Legacies	2	55,741	-	55,741	68,456	-	59,029	127,485
Other Trading Activities:								
Lettings Income		1,755	-	1,755	1,495	-	-	1,495
Other events & sales		14,039	-	14,039	10,294	-	-	10,294
Investment Income		3,579	-	3,617	168	-	3,729	3,897
<b>Income from charitable activities</b>								
Educational and related income		1,874,083	-	1,950,132	1,887,099	-	43,601	1,930,700
<b>Total Income</b>		<b>1,949,197</b>	<b>-</b>	<b>2,042,577</b>	<b>1,967,512</b>	<b>-</b>	<b>106,359</b>	<b>2,073,871</b>
<b>EXPENDITURE</b>								
<b>Raising Funds</b>								
Charitable Activities		1,225	-	1,225	754	-	-	754
		1,875,556	135,225	2,010,781	1,888,635	196,272	145,609	2,230,516
<b>Total Expenditure</b>	3	<b>1,876,781</b>	<b>135,225</b>	<b>2,012,006</b>	<b>1,889,389</b>	<b>196,272</b>	<b>145,609</b>	<b>2,231,270</b>
<b>Net Income / (Expenditure) before Transfers</b>		<b>72,416</b>	<b>(135,225)</b>	<b>(62,809)</b>	<b>78,123</b>	<b>(196,272)</b>	<b>(39,250)</b>	<b>(157,399)</b>
<b>Transfers</b>	8	<b>(93,782)</b>	<b>141,304</b>	<b>47,522</b>	<b>(67,464)</b>	<b>68,372</b>	<b>(908)</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(21,366)</b>	<b>6,079</b>	<b>(15,287)</b>	<b>10,659</b>	<b>(127,900)</b>	<b>(40,158)</b>	<b>(157,399)</b>
Balances at start of year (1 July)		406,508	5,050,551	5,457,059	395,849	5,178,451	260,277	5,834,577
Balances at end of year (30 June)		<b>385,142</b>	<b>5,056,630</b>	<b>5,441,772</b>	<b>406,508</b>	<b>5,050,551</b>	<b>220,119</b>	<b>5,677,178</b>

All of the College's activities are classed as continuing.  
The College has no recognised gains or losses other than the result for the year.  
The notes numbered 1 to 12 form part of these financial statements.

**MOORLANDS COLLEGE**  
**Registered company number 4241702**  
**BALANCE SHEET**  
**As at 30 June 2019**

		2019	2018
	Note	£	£
<b>FIXED ASSETS</b>			
Tangible assets	5	4,669,657	4,637,011
<b>CURRENT ASSETS</b>			
Stocks		21,523	25,276
Debtors	6	161,481	325,116
Cash at bank and in hand		821,974	954,982
		<u>1,004,978</u>	<u>1,305,374</u>
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>(129,927)</u>	<u>(265,207)</u>
<b>NET CURRENT ASSETS</b>		875,051	1,040,167
<b>NET ASSETS</b>		<u>5,544,708</u>	<u>5,677,178</u>
<b>RESERVES</b>			
Unrestricted General Funds	8, 9	385,142	406,508
Designated Funds	8, 9	5,056,630	5,050,551
Restricted Funds	8, 9	102,936	220,119
		<u>5,544,708</u>	<u>5,677,178</u>

These financial statements were approved and authorised for issue by the Trustees on 29 November 2019 and are signed on their behalf by:

  
 Mr S May-Miller

  
 Mr T Goulding

The notes numbered 1 to 12 form part of these financial statements.

**MOORLANDS COLLEGE****CASH FLOW STATEMENT****For the year ended 30 June 2019**

	2019	2018
	£	£
<b>OPERATING ACTIVITIES</b>		
Surplus (deficit) after depreciation and before tax	( 132,470)	( 157,399)
Adjustment to add back depreciation	117,247	176,432
Adjustment to add back loss on disposal	-	93
Adjustment to deduct interest	( 3,617)	( 3,897)
Net changes in working capital	32,108	53,983
Income tax paid	-	-
<b>Net cash inflow (outflow) from operating activities</b>	<b>13,268</b>	<b>69,212</b>
<b>INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	( 149,893)	( 99,835)
Interest received	3,617	3,897
<b>Net cash inflow (outflow) from investing activities</b>	<b>( 146,276)</b>	<b>( 95,938)</b>
<b>FINANCING ACTIVITIES</b>		
<b>Net cash inflow (outflow) from financing activities</b>	<b>-</b>	<b>-</b>
<b>Overall net cash inflow (outflow)</b>	<b>( 133,008)</b>	<b>( 26,726)</b>
Cash at start of year	954,982	981,708
Cash at end of year	821,974	954,982

The notes numbered 1 to 12 form part of these financial statements.

# MOORLANDS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

### 1 ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

Moorlands College is a charitable company registered in England & Wales. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011.

The financial statements have been prepared on the going concern basis. There are no material uncertainties about the College's ability to continue. The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Income**

Income, including grant and legacy income, is recognised on an accruals basis, when the College is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is more likely than not that the income will be received.

#### **Expenditure**

Expenditure is accounted for on an accruals basis, inclusive of irrecoverable VAT. Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories and governance costs in accordance with the requirements of the Statement of Recommended Practice. Certain other costs and some staff costs are attributable to more than one activity. In these cases the costs have been apportioned to the individual activities on the basis of the time spent by staff on matters relating to those activities.

Governance costs comprise all costs relating to the public accountability of the College and its compliance with regulation and good practice. These costs include costs relating to the statutory audit.

#### **Bursaries**

Bursaries from restricted funds are included as expenditure in the period for which the award is given.

#### **Tangible fixed assets**

Assets are only capitalised, at cost, where they cost £1,000 or more. Assets costing less than £1,000 may be capitalised where these form part of a set or a wider equipment package.

Freehold land is not depreciated. Depreciation of buildings is based on useful economic life and residual value of each main building. Depreciation of other fixed assets is provided for at the following rates to write off the original cost of each asset over its estimated useful life. Depreciation on assets is charged from date of first use or, where more appropriate, from the date of purchase.

Freehold buildings	Between 20 and 100 years straight line
Fixtures, fittings and equipment	20% per annum straight line
Motor vehicles	25% per annum straight line

The approach to depreciation of buildings was revised in 18/19; the prior approach involved 2% (50 years) straight line depreciation to zero. Buildings are now being depreciated more appropriately, some faster, some slower than before, and with better recognition of useful life and residual value. The overall effect of this change in 18/19 has been to reduce the buildings depreciation charge by approximately £60,000.

## MOORLANDS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

#### 1 ACCOUNTING POLICIES (*continued*)

##### **Creditors and provisions**

Creditors and provisions are recognised where the College has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured or estimated. Creditors and provisions are recognised at their settlement amount.

##### **Stock**

This is valued at the lower of cost and net realisable value, after allowing for slow moving or obsolete items.

##### **Library**

The cost of additions to the library is written off in the year in which the items are purchased.

##### **Pensions**

The College offers a defined pension contribution scheme to its employees and makes contributions to this pension scheme on behalf of its employees. The scheme is open to all qualifying employees and enrolment in the scheme is optional. The contributions payable for the scheme for the period are charged in the income and expenditure account. The charge for the year is shown in Note 4.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in the Statement of Financial Activities.

##### **Tax status**

The College is a registered charity and therefore it is not assessable to corporation tax on any surplus charitable funds.

##### **Funds accounting**

Funds held by the College are:

*Unrestricted general funds* are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

*Designated funds* are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

*Restricted funds* are funds that can only be used for particular purposes within the objects of the College. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The nature and purpose of each fund is explained further in note 8 to the financial statements.

#### 2 DONATIONS AND LEGACIES

	Unrestricted	Restricted	2019	2018
	£	£	£	£
General donations	55,741	-	55,741	68,456
Donations for new projects	-	1,379	1,379	-
Donations for student bursaries	-	15,915	15,915	59,029
	<u>55,741</u>	<u>17,293</u>	<u>73,034</u>	<u>127,485</u>

# MOORLANDS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

### 3 ANALYSIS OF EXPENDITURE

	Staff costs £	Premises £	Depreciation £	Other costs £	Total 2019 £	Total 2018 £
Costs of generating voluntary income	3,246	-	-	1,958	5,204	257
Costs of activities for generating income	415	-	-	810	1,225	497
<b>Total cost of raising funds</b>	<b>3,661</b>	<b>-</b>	<b>-</b>	<b>2,768</b>	<b>6,429</b>	<b>754</b>
Teaching and related costs	767,208	-	77,181	429,032	1,273,421	1,300,996
Other student costs	91,739	-	-	126,404	218,143	194,744
Support Costs	355,719	140,991	40,066	128,725	665,501	721,647
Governance costs	-	-	-	11,553	11,553	13,129
<b>Total costs of charitable activities</b>	<b>1,214,666</b>	<b>140,991</b>	<b>117,247</b>	<b>695,714</b>	<b>2,168,618</b>	<b>2,230,516</b>
<b>Total Expenditure</b>	<b>1,218,327</b>	<b>140,991</b>	<b>117,247</b>	<b>698,482</b>	<b>2,175,047</b>	<b>2,231,270</b>

Other costs:	2019 £	2018 £
Teaching costs	293,021	305,826
Library and study materials	30,453	26,704
Catering and student welfare	82,230	67,547
Advertising and promotion of the College	65,807	58,366
Office costs	35,847	36,788
Fees payable for the audit	10,214	10,909
Consultants and legal fees	25,866	31,281
Travel and subsistence	24,176	25,817
Bad debts & provision for doubtful debts	128,059	2,237
Sundry expenses	2,809	3,763
	<b>698,482</b>	<b>569,238</b>

### 4 STAFF COSTS

	2019 £	2018 £
Wages and salaries	1,018,448	1,022,650
Social Security costs	65,566	64,442
Other pension costs	102,105	107,077
	<b>1,186,119</b>	<b>1,194,169</b>

As at 30 June 2019 there were no prepaid amounts in respect of pension costs (2018: £Nil).

No staff received remuneration in excess of £60,000 per annum (2018: Nil).

Redundancy payments of £5,678 were made in the year (2018: Nil); these are recognised when legal agreement is reached.

No remuneration was paid to Trustees for their role as Trustees. Travel expenses of £1,401 were reimbursed to five Trustees during the year (2018: £806 to four Trustees). In addition, £284 was paid on behalf of Trustees to third parties for training and accommodation (2018: £nil). Payments of £667 were made to three Trustees for lectures carried out during the year (2018: £60 to one Trustee). Remuneration of close family members of Trustees totalled £340 (2018: £60) for teaching.

During the year the College had transactions with South West Youth Ministries, a charity with which it shares a Trustee. The College received income of £15,838 (2018: £16,202) and incurred expenses of £65,923 (2018: £68,461). There was no balance outstanding at year-end (2018: £nil). These transactions were carried out at an 'arm's length' basis. The Trustee received no benefit for the transactions.

Remuneration (inc employer NI & pension) of key management totalled £297,515 (2018: £294,572).

Remuneration (inc employer NI & pension) of close family members of key management totalled £43,565 (2018: £43,324).

During the year, payments totalling:

£1,995 were received from Christchurch Baptist Church of which David McLellan is a trustee (2018: £1,265).

£170 were made to Evangelical Alliance, of which David Hilborn is a trustee (2018: £220).

£11,040 were received from, and £142 made to, Wycliffe Bible Translators of which Ian Kirby is a trustee (2018: £nil).



## MOORLANDS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

#### 4 STAFF COSTS (continued)

The average weekly number of employees was:

		2019		2018	
		Actual	FT equivalent	Actual	FT equivalent
Academic	Full time	12	11.7	12	11.8
	Part time	25	5.2	27	5.9
Support	Full time	6	6	9	8.8
	Part time	18	9.8	13	8.2
Total	Full time	18	17.7	21	20.6
	Part time	43	15	40	14.1
Overall Total		61	32.7	61	34.7

The above employee numbers exclude Students and Visiting lecturers who have been employed on a casual basis during the year, however the related payroll costs are included in the above staff costs.

#### 5 TANGIBLE FIXED ASSETS

	Land £	Buildings £	Equipment £	Total £
COST:				
At 1 July 2018	282,299	5,080,332	532,800	5,895,431
Additions	-	116,111	33,782	149,893
Asset category adjustment	-	-	-	-
Disposals	-	-	(2,708)	(2,708)
At 30 June 2019	282,299	5,196,443	563,874	6,042,616
DEPRECIATION:				
At 1 July 2018	-	909,958	348,462	1,258,420
Charge for the year	-	39,500	77,747	117,247
Loss on disposal	-	-	-	-
Eliminated on disposals	-	-	(2,708)	(2,708)
At 30 June 2019	-	949,458	423,501	1,372,959
NET BOOK VALUE:				
At 30 June 2019	282,299	4,246,985	140,373	4,669,657
At 30 June 2018	282,299	4,170,374	184,338	4,637,011

All of the assets are used for charitable purposes.

# **MOORLANDS COLLEGE**

## **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 30 June 2019**

### **6 DEBTORS**

	2019	2018
	£	£
Fees outstanding	79,489	111,341
Prepayments	22,807	20,501
Other debtors	59,185	193,274
	<b>161,481</b>	<b>325,116</b>

Other debtors includes a total of £nil (2018: £nil) falling due later than one year.

### **7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Fees in advance	12,202	14,159
Trade Creditors	55,218	66,421
Taxes and social security	35,442	35,087
Accruals	27,065	149,540
	<b>129,927</b>	<b>265,207</b>

#### Movement on Deferred Income (Fees in advance):

	2019	2018
	£	£
<b>Deferred income brought forward</b>	14,159	17,266
Income released in the year	(6,557)	(7,567)
Income deferred in the year	4,600	4,460
<b>Deferred income carried forward</b>	<b>12,202</b>	<b>14,159</b>

# MOORLANDS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

### 8 RECONCILIATION ON MOVEMENTS OF FUNDS

For the year ended 30 June 2019

	At 1 July 2018	Income	Expenditure	Transfers	At 30 June 2019
	£	£	£	£	£
<b>Unrestricted Funds</b>					
<b>General fund</b>	406,508	1,949,197	(1,876,781)	(93,782)	385,142
<b>Designated funds</b>					
Contingency Fund	186,300	-	-	-	186,300
Cyclical Refurbishment & Maintenance	227,240	-	(17,978)	(8,588)	200,674
Building Fixed Assets	4,452,673	-	(39,500)	116,110	4,529,283
Equipment Fixed Assets	184,338	-	(77,747)	33,782	140,373
	5,050,551	-	(135,225)	141,304	5,056,630
<b>Total unrestricted funds</b>	5,457,059	1,949,197	(2,012,006)	47,522	5,441,772
<b>Restricted funds</b>					
New Projects Fund	3,729	1,379	(5,429)	-	(321)
Student Bursary Fund	38,030	10,100	(9,330)	-	38,800
Student Hardship Fund	10,877	1,143	(2,060)	-	9,960
Brenda Brady Bursary Fund	29,132	4,709	(2,310)	-	31,531
Misc. Other Restricted Funds	138,351	76,049	(143,912)	(47,522)	22,966
<b>Total restricted funds</b>	220,119	93,380	(163,041)	(47,522)	102,936
<b>Total funds</b>	5,677,178	2,042,577	(2,175,047)	-	5,544,708

For the year ended 30 June 2018

	At 1 July 2017	Income	Expenditure	Transfers	At 30 June 2018
	£	£	£	£	£
<b>Unrestricted Funds</b>					
<b>General fund</b>	395,849	1,967,512	(1,889,389)	(67,464)	406,508
<b>Designated funds</b>					
Contingency Fund	186,300	-	-	-	186,300
Cyclical Refurbishment & Maintenance	278,447	-	(19,747)	(31,460)	227,240
Building Fixed Assets	4,408,168	-	(101,534)	146,039	4,452,673
Equipment Fixed Assets	305,536	-	(74,991)	(46,207)	184,338
	5,178,451	-	(196,272)	68,372	5,050,551
<b>Total unrestricted funds</b>	5,574,300	1,967,512	(2,085,661)	908	5,457,059
<b>Restricted funds</b>					
New Projects Fund	-	3,729	-	-	3,729
Student Bursary Fund	11,383	28,147	(1,500)	-	38,030
Student Hardship Fund	10,201	1,750	(1,074)	-	10,877
Brenda Brady Bursary Fund	-	29,132	-	-	29,132
Misc. Other Restricted Funds	238,693	43,601	(143,035)	(908)	138,351
<b>Total restricted funds</b>	260,277	106,359	(145,609)	(908)	220,119
<b>Total funds</b>	5,834,577	2,073,871	(2,231,270)	-	5,677,178

## MOORLANDS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

#### 8 RECONCILIATION ON MOVEMENTS OF FUNDS (continued)

The funds shown on the previous page have the following purposes:

**Unrestricted Funds:**

General Fund - available for the general operation of the College's main activities

**Designated funds:**

Contingency Fund – to support the General Fund in the event that income declines.

Cyclical Refurbishment & Maintenance Fund – to fund ongoing building refurbishment and maintenance.

Building Fixed Assets – holds fixed assets arising from capitalisation of land and building assets.

Equipment Fixed Assets – holds fixed assets arising from capitalisation of plant, equipment and vehicles.

**Restricted Funds:**

New Projects Fund – held for new specific building or equipping projects.

Student Bursary Fund – held for bursary funding of student tuition fees.

Student Hardship Fund – held to provide financial hardship support for students.

Brenda Brady Bursary Fund – held for funding needs of student body or individuals.

Miscellaneous Other Restricted Funds – held for various specific purposes as received.

The New Projects Fund ended the year with a small deficit of £321 as initial fundraising costs have exceeded income but the fund continues to receive new donations.

The fund transfers indicated on the previous page are explained as follows:

From General Fund to Designated Funds:

Transfer of surplus funds from operations: £60,000 to Cyclical Refurbishment & Maintenance (17/18: £40,000).

Capitalisation of plant and equipment fixed assets purchased in the year, and transferred to the designated fund for Equipment Fixed Assets: £33,782 (17/18: £27,464).

Between Designated Funds:

Capitalisation of fixed assets purchased under Cyclical Refurbishment & Maintenance and transferred to the designated fund for Equipment Fixed Assets: £nil (17/18: £nil); and Building Fixed Assets: £68,588 (17/18: £71,460).

Adjustment to bring the split of fixed asset funds between Buildings and Equipment into line with FA Register: transfer of £nil from Equipment Fixed Assets to Building Fixed Assets (17/18 £73,671).

From Restricted Funds to others:

Capitalisation of fixed assets, purchased from Misc Other Restricted Funds, and transferred to the designated funds for Building Fixed Assets: £47,522 (17/18 £908).

# MOORLANDS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2019

### 9 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2019	Unrestricted Funds			
	General	Designated	Restricted	Total
	Fund	Funds	Funds	Funds
	£	£	£	£
Fixed assets	-	4,669,657	-	4,669,657
Cash at bank and in hand	382,065	386,973	52,936	821,974
Stock	21,523	-	-	21,523
Debtors	111,481	-	50,000	161,481
Creditors	(129,927)	-	-	(129,927)
	<u>385,142</u>	<u>5,056,630</u>	<u>102,936</u>	<u>5,544,708</u>

2018	Unrestricted Funds			
	General	Designated	Restricted	Total
	Fund	Funds	Funds	Funds
	£	£	£	£
Fixed assets	-	4,637,011	-	4,637,011
Cash at bank and in hand	383,823	413,540	157,619	954,982
Stock	25,276	-	-	25,276
Debtors	262,616	-	62,500	325,116
Creditors	(265,207)	-	-	(265,207)
	<u>406,508</u>	<u>5,050,551</u>	<u>220,119</u>	<u>5,677,178</u>

### 10 LEASES

Operating lease charges for the year were £1,446 (2018: £2,818). At 30 June 2019, the College had total future minimum payments under non-cancellable operating leases as:

	Land & buildings		Other		As at 30 June 2018	
					Land & buildings	Other
	£	£	£	£	£	£
Commitment on leases expiring:						
within 1 year	-	-	-	-	-	284
within 2 to 5 years	-	6,422	-	-	-	8,028
after 5 years	-	-	-	-	-	-
	<u>-</u>	<u>6,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,312</u>

### 11 CAPITAL COMMITMENTS

There were no capital commitments at 30 June 2019 (2018: £nil).

### 12 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2019 (2018: £nil).

