

Company Registration Number 4241702
Charity Number 1092000

MOORLANDS COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2020

MOORLANDS COLLEGE

INDEX TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2020

	PAGE
Administrative Information	1
Annual Report of the Trustees	2 - 15
Independent Auditors' Report to the Trustees for the year ended 30 June 2020	16 - 17
Statement of Financial Activities (incorporating Income and Expenditure Account)	18
Balance Sheet	19
Cash Flow Statement	20
Notes to the Financial Statements	21 - 28

MOORLANDS COLLEGE

ADMINISTRATIVE INFORMATION For the year ended 30 June 2020

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 Keith Brown Jason Coltman (appointed in Mar 2020) Ruth Flanagan John Fowler (appointed in Nov 2019) Tim Goulding (Treasurer) John Hurley (resigned in Nov 2019) Jon Loose Steve May-Miller (Chair) Don McQueen Matthew Moore (appointed in Nov 2019) Mary Reeves (appointed in Sep 2019) Janice Tuck
Company Secretary:	David McLellan
Senior Management Team:	Principal: David Hilborn Executive Director: Andy du Feu (from Apr 2020) Vice-Principal (Development): Colin Bennett Vice-Principal (Quality): Ian Kirby Vice-Principal (Academic): Helen Morris (from Apr 2020) Vice-Principal (Strategy): Ian Coffey Director of Communications: Karen Todd (from Jan 2020) Director of Operations: David McLellan
Auditors:	Jacob Cavenagh and Skeet 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 2020

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 2020.

Corporate Governance

The following have been in place for the year ended 30 June 2020 and up to the date of approval of the financial statements.

Governing document and approach

The College is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 May 2002. In the event of the company being wound up members are required to contribute an amount not exceeding £10. 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 the Articles of Association now comprise the primary governing document. The Articles of Association were revised during 2019, in step with a new Governance Policy adopted in Jan 2019, and were approved by the Charity Commission in June 2019.

The College's approach to governance applies the Public Interest Governance Principles of the Office for Students. It also follows the good practice for the Higher Education sector identified in "The Higher Education Code of Governance" produced by the Council of University Chairs. In particular, the Board of Trustees adopts and implements the core values of that document. The College affirms and adopts the Nolan "Principles of Public Life", upon which the Higher Education Code of Governance builds.

Organisational structure

The Company Directors are the Trustees of the Charity. By virtue of office, as Directors and Trustees, they are voting Members of the Company and are fully responsible, under UK law, for the direction and development of the work of the College. Together they constitute the Board of Directors of the Company and the Board of Trustees of the Charity. Within this document the Directors are generally referred to as Trustees, and the Board of Directors as the Board of Trustees. This body is both unambiguously and collectively accountable for institutional activities and takes all final decisions on matters of fundamental concern to the College. Thus, the Board of Trustees is the governing body of Moorlands College in the terms of both the Office for Students and the Quality Code for Higher Education.

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 Executive Leadership Team (ELT), previously known as the Senior Management Team, is the key management group, led by the Principal, for day-to-day operation of the College. ELT members attended Board meetings during the year for the majority of items. The processes to appoint and set pay for ELT members are determined by Trustees. The Trustees review staff salaries annually and take note of the CPI, cost of living and the financial situation of the College, with no automatic entitlement to an annual salary increase. The Trustees aim that College pay levels are appropriate both to the experience and responsibilities of staff members and to the market sector. During the year, as part of a management team review, two new ELT posts of Executive Director and Director of Communications were created.

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

Representation at Board meetings

The Principal, ELT and student and staff representatives are participants in Board of Trustee meetings, providing necessary perspectives for the Board to govern effectively. The Principal and the representatives have full rights of attendance and participation in meetings, but in line with the College's constitution as a charity, as employee and beneficiaries of that charity, they do not have voting rights. In particular, student representatives have no less rights of participation and are not in any way disadvantaged in comparison to student representatives in the governance arrangements of other Higher Education institutions where the governing body is not structured as a board of trustees bearing ultimate responsibility according to charity law. Neither the Principal nor representatives are routinely excluded from discussions, though representatives would not normally be present at discussions relating to individual, identifiable students or staff members.

Recruitment and appointment of new Trustees

The range of experience and professional expertise of 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.

Trustee induction and training

New Trustees are inducted in accordance with a recently-revised 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 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.

Primary responsibilities of the Board of Trustees:

- to approve the mission and strategic vision of the College, its long-term academic and business plans and key performance indicators (KPIs), and to ensure that these meet the interests of stakeholders
- to ensure that processes are in place to monitor and evaluate the performance and effectiveness of the College against these plans, using approved KPIs
- to appoint the Principal as chief executive, and to put in place suitable arrangements for monitoring their performance
- to delegate authority to the Principal for the academic, corporate, financial, estate and human resource management of the College, and to establish and keep under regular review the policies,

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

- procedures and limits within such management functions as shall be undertaken by and under the authority of the Principal.
- to oversee the assessment and management of risk, monitoring and reviewing a register of risks, and determining appropriate actions in response to risks
 - to ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, and procedures for handling internal grievances and for managing conflicts of interest
 - to establish processes to monitor and evaluate the performance and effectiveness of the governing body itself
 - to conduct its business in accordance with best practice in HE corporate governance and with relevant principles, including both the principles of public life drawn up by the Committee on Standards in Public Life and the Public Interest Governance Principles of the Office for Students
 - to safeguard the good name and values of the College
 - to appoint a Clerk to the Board and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability
 - to be the employing authority for all staff in the College and to be responsible for establishing a human resources strategy
 - to be the principal financial and business authority of the College, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for its assets, property and estate
 - to be the College's legal authority and, as such, to ensure that systems are in place for meeting all its legal obligations, including those arising from contracts and other legal commitments made in the College's name
 - to receive assurance that adequate provision has been made for the general welfare of students
 - to act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the College
 - to ensure that the College's governing documents are followed at all times and that appropriate advice is available to enable this to happen.

Committees

The Trustees appoint Committees, comprising representatives of the Board, supported by staff, including the Clerk to the Board, to facilitate detailed areas of its work, with a duty to report back and make recommendations to the Board of Trustees. These Committees comprise:

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

From time to time, the Trustees also set up specific Working Groups and during 19/20 there has been a working group to cover Degree Awarding Powers. Other groups covering Strategy, and Recruitment Marketing and Fundraising, have been redesignated as management groups, with some Trustees involved to provide input and advice.

During 19/20, the Student Bursary awards committee was reformed from being a Trustee-supported committee into a management group known as the Financial Support Panel.

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 April 2020 when a new five-year collaborative agreement was signed lasting until August 2025.

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

The College works in partnership with South West Youth Ministries (SWYM) to administer the delivery of our BA degree course via our regional centre of Moorlands South West. The partnership with SWYM was reviewed during the year and continues to operate effectively. We have entered a similar administrative partnership with Youthlink: NI to support the delivery, starting in 20/21, of our BA degree course at our regional centre of Moorlands NI @ Youthlink.

The College is a member of HE Guild, and we also maintain contact with like-minded theological colleges through informal networks of Principals, Bursars and Facilities staff.

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 in September 2019 for a further five years, through until 2024.

The College subscribes to the Quality Assurance Agency (QAA), the OfS designated body for quality, to provide assurance that we are 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. The QAA approach has moved from a periodic assessment to one that is driven by sampling and risk-based factors.

The College is 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

For over 70 years now, the College has existed 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

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

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.

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 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 one of the highest rated non-denominational theological colleges.

A similarly positive picture is painted by the results of the National Student Survey (NSS), which independently gathers leaving students' opinions on the quality of their courses. For 2020, the College received an overall satisfaction rating of 100%, 17% higher than the sector average. We have maintained high responses in several areas, scoring 99% in teaching, 98% in learning opportunities, and 97% in academic support. This very positive feedback from our final year BA students reflects a huge amount of work and effort, especially given the challenges faced by both staff and students as a result of covid-19.

At a much more local level of public benefit, Christchurch campus students served Sopley village community through a volunteer clean-up project. The annual Sopley Festival is normally hosted on our campus grounds but had to be cancelled this year due to covid-19 restrictions. Our campus premises are also occasionally used by local churches for their Sunday services and other meetings, although this also has been disrupted by covid-19 restrictions.

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 drawn from across the UK and range in age from 18 to over 70. A high percentage of the smaller number of postgraduate students in our School of Language and Scripture come from a range of countries, primarily in Europe and Asia.

The College has significant success in enabling access of many of the under-represented groups:

- mature students eg 46% of students entering into studies at any level in 17/18 were mature and did not have previous degree-level qualifications
- students with disabilities, with 19% of current undergraduates self-declaring as having a disability
- students from disadvantaged socioeconomic backgrounds, where 35% of young students and 96% of mature students are from households earning less than £25,000

Our provision focusses on professional preparation for people-helping and leadership roles, so is more attractive to older students. This is not uncommon in theological colleges; however, we are comparatively more successful at enabling access to HE by those who do not have previous HE experience.

Of the College's students with disabilities a clear majority have learning disabilities (currently 63%). We attribute this to the undergraduate programmes' vocational, professional focus and our reputation for

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

Learning Support provision. These factors combine together to encourage students who would otherwise not enter HE to choose Moorlands.

Adding to the College's successful orientation towards those less-represented socio-economically, the opening of regional centres in more urban locations is intended to increase our reach towards areas of greater social deprivation.

A high percentage of the UK undergraduate and postgraduate students can 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 grant support to a range of undergraduate students, awards being considered on a case-by-case basis by a Financial Support Panel. In the past year, the College made scholarship, bursary, hardship and other awards, totalling £15,991 (18/19: £13,624), to 30 students. These included Enable grant awards, designed to help students with disabilities to overcome challenges that might impact their success in their studies. Partial grant support is also given towards Full Diagnostic Testing, where needed by those with learning difficulties.

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 initial 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 has been agreed for the five years from 20/21 to 24/25.

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.

1 Continuing course delivery

The total number of student learners engaged during the year on our degree training courses was 271 (18/19: 272). Over the course of the year, 16 MA degrees, three Postgraduate Certificates, and 49 BA degrees have been awarded. The annual graduation event which was due to be held in October 2020 has been rearranged for May 2021.

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 above, the College has been awarded a TEF silver rating for delivering high quality teaching, learning and outcomes for its students. Also noted previously, the latest NSS results show an overall satisfaction rating of 100% from our leaving students.

In August 2019 we launched the School of Language and Scripture (SLS), a significant new collaboration with Wycliffe UK Ltd, to provide appropriate academic and professional training and qualifications for translation, literacy and language development workers. The focus of the School is the provision of postgraduate courses of study including an MA in Language, Community and Development, validated by the University of Gloucestershire. SLS has operated in premises in Gloucester during 19/20 but is transferring to Christchurch campus in time for the start of the 20/21 academic year.

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

The restrictions arising from the spread of the covid-19 pandemic led to a closure of our campuses and offices, such that all our teaching from mid-March onwards had to be migrated to online platforms. With significant cooperation from staff and students, this was successfully achieved across all our courses. Adjustments have been made where the practical side of learning could not be met in the normal way, and meetings, interviews and open days were also moved to online approaches. We have worked hard to make our Christchurch premises covid-secure and, from August 2020, most of our teaching delivery will again be face to face, with online alternatives remaining available where needed.

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 19/20, there were 36 undergraduate students at the Midlands Centre and 33 in the South West.

The past year has also involved marketing, relationship-building and groundwork for further widening of our regional centres approach which, through a partnership with Youthlink: NI, is culminating in the launch of Moorlands NI @ Youthlink in September 2020. Students will be enrolled on the BA Applied Theology (Youth and Community Work), with teaching partly in Belfast and partly at Christchurch. Meanwhile, the potential for similar approaches in other regions continues to be explored.

Covid-19 restrictions have affected our regional centre premises, and study blocks since March have migrated to online platforms. Our normal base for teaching in South West, Brunel Manor, is closing for good but alternative premises have now been found at Lee Abbey. Some adjustments are also being made in the Midlands, as our normal premises at Wallis House has not been available due to the restrictions.

We have made 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 South West Youth Ministries (18 students), where six of the students have also gained the Award in Christian Leadership, and 16 students were involved in the EAT Pastoral Care Module in the Midlands regional centre.

3 Improvement of course management and quality

Government regulation of providers of Higher Education requires that our degree courses meet the standards required by the Quality Code, overseen by the QAA. The College fully meets the QAA standards for academic quality and financial sustainability, last assessed by a review in May 2019, and we are currently operating with a TEF silver rating.

In April 2020, the College carried out a major review of the BA and MA Applied Theology programmes, involving representatives from the University, the student body and external advisers; this resulted in several commendations and a new five-year collaborative agreement through to August 2025.

In September 2019, our BA Applied Theology (Youth and Community Work) degree was reviewed by the National Youth Agency, and revalidated as meeting the Joint Negotiating Committee professional standards for youth workers for a further five years, through until 2024. We have also been working with the North South Education and Training Standards Committee for Youth Work (NSETS) to optimise the accreditation of the degree at our new regional centre in Northern Ireland.

As part of our intention to strengthen our academic framework and structures, we contracted a specialist from HE to conduct an internal governance audit. That report, with other measures such as a revised Access and Participation plan, has helped to ensure that all aspects of our governance meet best practice quality, as we move towards submitting an application for Degree Awarding Powers, as and when the window for such applications re-opens.

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

We encourage professional development of our staff as an important contributor in improving quality. Several of our staff and students have spoken at national and international events. Regular staff training events are held through the year; areas of focus in the past year have been Mental Health, and Equalities and Admissions. A review of staff study leave has also been completed.

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 over 60 people. The topic "From Genesis to Revelation" covered theology, archaeology and biblical studies through the sweep of the books of the Bible. We also hosted a number of public conferences and seminars including Christian leadership, children's and families work, autism awareness, and identity and gender issues.

We produced a series of short videos under the title of "Christian Theology Applied" publicly available on YouTube. We also developed plans, including a video celebrating the College's history, to launch an initiative called Friends of Moorlands to strengthen our engagement with alumni and their churches or key organisations, but this has been delayed by the impact of covid-19.

5 Campus Facilities

On the Christchurch campus, we have installed a bank of rolling bookshelves extending our library capacity by 400 linear metres; this was done partly to accommodate an additional 9,700 books that accompanied the start of SLS on campus. One floor of the Cedars residential block was refurbished, with modifications to entrances and fire exits, and most other residential rooms are being redecorated from June 2020. Part of the sports hall exterior was also re-painted. Digital signage around campus has been extended and a new laser projector was installed in the auditorium. A programme of checking and improving fire safety doors is being done over summer 2020.

6 Fundraising

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 2019/20 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. Several small regular gifts are designated by donors for one of our three student support funds, restricted funds that are used to support and enhance the student experience at the College.

We continued to benefit from the generous financial support and partnership of several larger trusts, with a range of gifts that support teaching and events in Apologetics and Evangelism, provide partial support for a senior teaching post, or assist 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 £2,247,508 (18/19: £2,042,577). Our primary source of income is unrestricted income of student fees plus charges for provision of our training and development courses. The total income in 19/20 arising from our charitable activities totalled £2,098,710 (18/19: £1,950,132).

Fundraising activity, with a little from the letting of our buildings to groups for holiday/non-educational purposes, generated income of £145,203 (18/19: £88,828). Included in this were donations of £10,484

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

(18/19: £15,915) for bursary funds and £51,060 (18/19: £1,379) for new projects. Bank interest income from College funds totalled £3,595 (18/19: £3,617).

Expenditure

Expenditure in the year totalled £2,185,043 (18/19: £2,175,047). Of this, £19,921 (18/19: £6,429) was spent on fundraising and other income-generating activity. Expenditure on main charitable activities was £2,165,122 (18/19: £2,168,618), which included depreciation charges of £125,488 (18/19: £117,247), and student support grants of £15,841 (18/19: £13,624). Capital expenditure spent on buildings, plant and equipment, totalled £68,887 (18/19: £149,893) of which £17,174 (18/19: £116,111) related to buildings investment.

One exceptional item of expenditure shown in 18/19 comparators (Note 3) reflected 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 18/19 concluded that the likelihood of recovery was less than 50%. The amount was removed, as a bad debt, from the balance sheet in 18/19.

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, less depreciation. The net book value of land and buildings is shown in note 5 as £4,500,620 (18/19: £4,529,284). At 1 August 2020, the buildings were insured for £11,640,826 (18/19: £11,640,826) in line with the insurance company's valuation of rebuilding costs.

Under Financial Reporting Standard 102, unconditional multi-year donations are recognised as and when committed, not when actually received. At 30 June 2020, £nil (18/19 £50,000) was shown in debtors, being grants where the donor had committed to pay the grant. At 30 June 2020, £50,000 (18/19 £nil) of grant income had been received in advance of the period to which the grant relates. This is shown as deferred grant income in Note 7.

The Trustees consider that the financial health of the College is satisfactory at the end of the year, with essential free reserves of £849,816 (18/19: £772,115), which equates to over four and a half 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 £450,363 (18/19: £385,142) at the year-end, which are freely available funds, to apply to future activities as required. In addition, the College holds a designated

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

contingency reserve of £186,300 (18/19: £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 £213,153 (18/19 £200,674). 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 4.7 months' activity at £182,000 per month.

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.

Remuneration of the Principal

The remuneration package for the Principal, as head of the College, is disclosed in Note 4. The process of setting this package is determined by the Trustees, with recommendations made by the Remuneration Committee, which is also responsible for annual reviews of the package, normally simple inflationary adjustments to salary. The Remuneration Committee considers comparative information from other organisations, especially charities in the HE sector, and must consider the public interest and the safeguarding of public funds alongside the interests of the College. The last major review of the package for the Principal was carried out in summer 2018, as part of the process for selecting and appointing a new Principal. That package comprises a basic salary and the standard employment pension scheme, as available to all College staff. The performance of the Principal is appraised each year by the Chair of Trustees but there are no performance-related components in the remuneration package.

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

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

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

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 (KPOs) associated with these principles and agreed by the Trustees (in Nov 2019) 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 2021 we will have been authorised to operate Degree Awarding Powers
- By September 2023, in the context of expansion of provision across new locations, we will have grown in the quality of our academic delivery reflected in external benchmarking
- By November 2023 we will have a full-strength Board of Trustees, with a range of appropriate skills and backgrounds, providing effective governance and leadership of the College

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

- On revenue and surplus, we require annual growth over and above cost increases to enable reinvestment back into achieving our strategy, including reserves cover of 6 months by June 2024.

Each of the above KPOs has several Key Performance Indicators aligned with it and these are being overseen by the Strategic Monitoring Group.

Our undergraduate degree student intake for 20/21 is expected to be 58 for all our BA courses, around average for the last few years. This includes an intake of 7 students in the new regional centre in Belfast. Our intake for MA Applied Theology has bounced back from 16 in 19/20 to 26 in 20/21, and is augmented by an intake of 17 students for various courses run by the School of Language and Scripture, which has now started teaching at Christchurch.

New opportunities within the Higher Education sector are being pursued. We are working 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 aim towards submitting an application for Degree Awarding Powers, when that becomes possible. Our development of Regional Centres has aimed 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 this approach.

The engagement of a Digital Learning consultant will assist in transforming the College's learning and teaching environment to meet current and emerging digital opportunities, especially in the area of blended learning, covering both face-to-face and virtual environments.

Our launch of a Friends of Moorlands initiative was impacted by coronavirus but will be revisited soon, with the aim of strengthening our engagement with alumni and their churches or key organisations. We hope to build a strong base of Friends who see Moorlands as a first port of call for training and, where possible, to assist with fundraising.

Finally, the year's planned facility development includes the redecoration of many of the residential rooms, expansion of hardware to support digital and blended learning, and, subject to fundraising, conversion of some of our bedrooms to include ensuite facilities. 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 100% – and to generate letting income at other times of the year, as restrictions permit.

Statement of Internal Control

As governing body of the College, the Board of Trustees recognises that it has responsibility for maintaining a sound system of internal control to support the achievement of policies, aims and objectives, whilst safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to it in the Articles of Association, and the requirements of such bodies as the Office for Students.

The system of internal control is intended to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing review process intended to identify the principal risks to the College, to evaluate the nature and extent of those risks, and to manage them efficiently, effectively and economically. The risk management approach is summarised on page 3 and is a major aspect of the work of the Audit and Risk Committee. This process has been in place for the year ended 30 June 2020 and up to the date of approval of the financial statements.

In addition to this, the Trustees oversee the College's performance in meeting its strategic objectives through the planning and monitoring of the annual plan and budget. Regular updates on performance are

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued) For the year ended 30 June 2020

presented to Trustees during the year, with a full year-end report considered in October/November. A provisional plan and budget for the following year is approved by Trustees every June, followed by the approval of a final revision in October/November, once confirmed student numbers for the academic year are known.

The Trustees have responsibility for reviewing the effectiveness of the College's system of internal control and, via the Audit and Risk Committee, conducts periodic reviews.

Trustees consider the plans and strategic direction of the College and receive reports from the Chair of Audit and Risk Committee and have access to the minutes of Audit and Risk Committee meetings. The review of the effectiveness of the system of internal control is also informed by the work of the Executive Leadership Team, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their annual reports.

In October 2018, the College successfully achieved registration with the Office for Students. Enhanced monitoring requirements were initially imposed relating to management and governance, and to the impact of student recruitment targets on financial viability and sustainability but, following successful responses by the College, these were removed by the Office for Students in July 2020.

The Trustees are of the view that the College has an appropriate framework for delivering assurance on key aspects of governance, risk management and internal control, and that there is clarity in terms of the respective roles of the Audit and Risk Committee, the Finance and Resources Committee and the Board of Trustees.

Statement of Trustees' Reporting 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.

The Trustees have taken reasonable steps to:

- ensure that funds from the Department for Education (DfE), the Office for Students (OfS) and other funding bodies are used only for the purposes for which they have been given and in accordance with OfS' Financial Memorandum and the Funding Agreement with DfE and any other conditions which DfE or OfS may from time to time prescribe;

MOORLANDS COLLEGE

ANNUAL REPORT OF THE TRUSTEES (continued)
For the year ended 30 June 2020

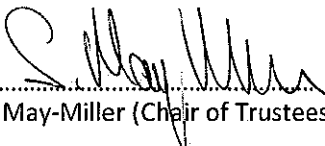
- ensure that there are appropriate financial management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the College and prevent and detect fraud; and
- secure the economic, efficient and effective management of the College's resources and expenditure.


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 5 October 2020 and signed on their behalf by:


.....
Steve May-Miller (Chair of Trustees)


.....
David Hilborn (Accountable Officer)

MOORLANDS COLLEGE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOORLANDS COLLEGE FOR THE YEAR ENDED 30 JUNE 2020 (continued)

Opinion

We have audited the financial statements of Moorlands College (the 'charity') for the year ended 30 June 2020 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 2020 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 and the Office for Students.

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.

Opinions on other matters prescribed by the Office for Students' (OfS) terms and conditions of funding for higher education institutions (March 2018) and the OfS's accounts direction (June 2018)

In our opinion, in all material aspects:

MOORLANDS COLLEGE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOORLANDS COLLEGE FOR THE YEAR ENDED 30 JUNE 2020 (continued)

- funds from whatever source administered by the charity for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by OfS have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them; and
- the requirements of the OfS's accounts direction have been met.

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

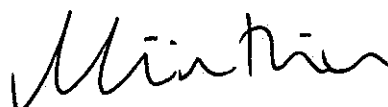
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee 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 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: ...12/10/2020

MOORLANDS COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
For the year ended 30 June 2020


	Unrestricted general fund 2020	Designated funds 2020	Restricted funds 2020	Total 2020	Unrestricted general fund 2019	Designated funds 2019	Restricted funds 2019	Total 2019	
INCOME	£	£	£	£	£	£	£	£	
Income from generated funds:									
Donations and Legacies	2a	121,933	-	11,544	133,477	55,741	-	17,293	73,034
Other Trading Activities:									
Lettings Income		4,352	-	-	4,352	1,755	-	-	1,755
Other events & sales		7,374	-	-	7,374	14,039	-	-	14,039
Investment Income		3,595	-	-	3,595	3,579	-	38	3,617
Income from charitable activities									
Educational and related income	2b	1,788,495	-	273,767	2,062,262	1,874,083	-	76,049	1,950,132
Other income	2c	36,448	-	-	36,448	-	-	-	-
Total Income		1,962,197	-	285,311	2,247,508	1,949,197	-	93,380	2,042,577
EXPENDITURE									
Raising Funds		1,529	-	18,392	19,921	1,225	-	5,204	6,429
Charitable Activities		1,795,549	158,091	211,482	2,165,122	1,875,556	135,225	157,837	2,168,618
Total Expenditure		1,797,078	158,091	229,874	2,185,043	1,876,781	135,225	163,041	2,175,047
Net Income / (Expenditure) before Transfers		165,119	(158,091)	55,437	62,465	72,416	(135,225)	(69,661)	(132,470)
Transfers	8	(99,898)	111,713	(11,815)	-	(93,782)	141,304	(47,522)	-
NET MOVEMENT IN FUNDS		65,221	(46,378)	43,622	62,465	(21,366)	6,079	(117,183)	(132,470)
Balances at start of year (1 July)		385,142	5,056,630	102,936	5,544,708	406,508	5,050,551	220,119	5,677,178
Balances at end of year (30 June)		450,363	5,010,252	146,558	5,607,173	385,142	5,056,630	102,936	5,544,708


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 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	5	4,610,800	4,669,657
CURRENT ASSETS			
Stocks		18,656	21,523
Debtors	6	108,241	161,481
Cash at bank and in hand		<u>1,063,533</u>	<u>821,974</u>
		1,190,430	1,004,978
CREDITORS: Amounts falling due within one year	7	<u>(194,057)</u>	<u>(129,927)</u>
NET CURRENT ASSETS		996,373	875,051
NET ASSETS		<u><u>5,607,173</u></u>	<u><u>5,544,708</u></u>
RESERVES			
Unrestricted General Funds	8, 9	450,363	385,142
Designated Funds	8, 9	5,010,252	5,056,630
Restricted Funds	8, 9	<u>146,558</u>	<u>102,936</u>
		<u><u>5,607,173</u></u>	<u><u>5,544,708</u></u>

These financial statements were approved and authorised for issue by the Trustees on 5 October 2020 and are signed on their behalf by:


 Steve May-Miller (Chair of Trustees)


 David Hilborn (Accountable Officer)

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

MOORLANDS COLLEGE**CASH FLOW STATEMENT****For the year ended 30 June 2020**

	2020	2019
	£	£
OPERATING ACTIVITIES		
Surplus (deficit) after depreciation	62,465	(132,470)
Adjustment to add back depreciation	125,488	117,247
Adjustment to add back loss on disposal	2,256	-
Adjustment to deduct interest	(3,595)	(3,617)
Net changes in working capital	120,237	32,108
Income tax paid	-	-
Net cash inflow (outflow) from operating activities	306,851	13,268
INVESTING ACTIVITIES		
Purchase of fixed assets	(68,887)	(149,893)
Interest received	3,595	3,617
Net cash inflow (outflow) from investing activities	(65,292)	(146,276)
FINANCING ACTIVITIES		
Net cash inflow (outflow) from financing activities	-	-
Overall net cash inflow (outflow)	241,559	(133,008)
Cash at start of year	821,974	954,982
Cash at end of year	1,063,533	821,974

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 2020

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), the Charities Act 2011, and the requirements of the Office for Students.

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, government 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. Income is deferred if time-related conditions or performance conditions require deferral of the amount. Job Retention Scheme government grant income is recognised in the period to which the underlying furloughed staff costs relate.

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, unless useful economic life is deemed to be longer or shorter than 5 years
Motor vehicles	20% 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.

MOORLANDS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2020

1 ACCOUNTING POLICIES (*continued*)

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

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.

MOORLANDS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2020

2a DONATIONS AND LEGACIES

	Unrestricted	Restricted	2020	2019
	£	£	£	£
General donations	121,933	-	121,933	55,740
Donations for new projects	-	1,060	1,060	1,379
Donations for student bursaries	-	10,484	10,484	15,915
	<u>121,933</u>	<u>11,544</u>	<u>133,477</u>	<u>73,034</u>

2b GRANT AND FEE INCOME

	2020	2019
	£	£
Grant income from the Office for Students	59,919	-
Grant income from other bodies	50,180	11,000
Fee income for taught HE awards	1,408,890	1,360,811
Fee income for research awards	-	-
Fee income from non-qualifying courses	19,050	37,500
Total Grant and Fee Income	<u>1,538,039</u>	<u>1,409,311</u>
Other Educational and related income	<u>524,223</u>	<u>540,821</u>
Total Educational and related income	<u>2,062,262</u>	<u>1,950,132</u>

2c OTHER INCOME

	2020	2019
	£	£
Job Retention Scheme government grant	<u>36,448</u>	-

3 ANALYSIS OF EXPENDITURE

	Staff costs	Premises	Depreciation	Other costs	Total 2020	Total 2019
	£	£	£	£	£	£
Costs of generating voluntary income	10,592	-	-	7,800	18,392	5,204
Costs of activities for generating income	1,247	-	-	282	1,529	1,225
<i>Total cost of raising funds</i>	<u>11,839</u>	<u>-</u>	<u>-</u>	<u>8,082</u>	<u>19,921</u>	<u>6,429</u>
Teaching and related costs	838,810	-	78,840	341,999	1,259,649	1,273,421
Other student costs	94,534	-	-	124,638	219,172	218,143
Support Costs	395,331	141,017	46,648	92,351	675,347	665,501
Governance costs	-	-	-	10,954	10,954	11,553
<i>Total costs of charitable activities</i>	<u>1,328,675</u>	<u>141,017</u>	<u>125,488</u>	<u>569,942</u>	<u>2,165,122</u>	<u>2,168,618</u>
Total Expenditure	<u>1,340,514</u>	<u>141,017</u>	<u>125,488</u>	<u>578,024</u>	<u>2,185,043</u>	<u>2,175,047</u>

Other costs:	2020	2019
	£	£
Teaching costs	335,740	293,021
Library and study materials	35,076	30,453
Catering and student welfare	65,371	82,230
Advertising and promotion of the College	39,580	65,807
Office costs	30,156	35,847
Fees payable for the audit	10,156	10,214
Consultants and legal fees	21,800	25,866
Travel and subsistence	30,713	24,176
Bad debts & provision for doubtful debts	6,942	128,059
Sundry expenses	2,490	2,809
	<u>578,024</u>	<u>698,482</u>

MOORLANDS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2020

4 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,131,091	1,018,448
Social Security costs	75,127	65,566
Other pension costs	105,331	102,105
	<u>1,311,549</u>	<u>1,186,119</u>
 Remuneration of the Principal		
Salary	50,438	48,133
Pension contributions	5,170	5,994
	<u>55,608</u>	<u>54,127</u>
 Median pay ratios		
All staff basic salary	1.89	1.90
All staff total pay	1.85	1.87

As at 30 June 2020 there were no accrued amounts in respect of pension costs (2019: £Nil).

No staff received remuneration in excess of £60,000 per annum (2019: £Nil).

Redundancy payments of £nil were made in the year (2019: £5,678); these are recognised when legal agreement is reached. No remuneration was paid to Trustees for their role as Trustees. Travel expenses of £664 were reimbursed to three Trustees during the year (2019: £1,401 to five Trustees). In addition, £473 was paid on behalf of Trustees to third parties for training, publications or accommodation (2019: £284). Payments of £761 were made to two Trustees for lectures (with travel expenses) carried out during the year (2019: £667 to three Trustees). Remuneration of close family members of Trustees totalled £481 (2019: £340) 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 £12,449 (2019: £15,838) and incurred expenses of £76,231 (2019: £65,923). There was no balance outstanding at year-end (2019: £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 £338,369 (2019: £297,515).

Remuneration (inc employer NI & pension) of close family members of key management totalled £36,367 (2019: £43,565).

During the year, payments totalling:

£1,200 were received from, and £66 made to, Christchurch Baptist Church of which David McLellan is a trustee (2019: £1,995 received, £nil made).

£3,514 were received from, and £563 made to, Evangelical Alliance of which David Hilborn is a trustee (2019: £nil received, £170 made).

£54,095 were received from, and £5,000 made to, Wycliffe Bible Translators of which Ian Kirby is a trustee (2019: £11,040 received, £142 made).

From 1 Jan 2020, payments totalling £575 were made to Simplicate of which Karen Todd is a director.

The average weekly number of employees was:

		2020		2019	
		Actual	FT equivalent	Actual	FT equivalent
Academic	Full time	11	11	12	11.7
	Part time	24	6.5	25	5.2
Support	Full time	7	5.8	6	6
	Part time	21	11.2	18	9.8
Total	Full time	18	16.8	18	17.7
	Part time	45	17.7	43	15
Overall Total		<u>63</u>	<u>34.5</u>	<u>61</u>	<u>32.7</u>

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.

MOORLANDS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2020

5 TANGIBLE FIXED ASSETS

	Land	Freehold Buildings	Equipment	Total
	£	£	£	£
COST:				
At 1 July 2019	282,299	5,196,443	563,874	6,042,616
Additions	-	17,174	51,713	68,887
Disposals	-	-	(14,791)	(14,791)
At 30 June 2020	<u>282,299</u>	<u>5,213,617</u>	<u>600,796</u>	<u>6,096,712</u>
DEPRECIATION:				
At 1 July 2019	-	949,458	423,501	1,372,959
Charge for the year	-	45,838	79,650	125,488
Loss on disposal	-	-	2,256	2,256
Eliminated on disposals	-	-	(14,791)	(14,791)
At 30 June 2020	<u>-</u>	<u>995,296</u>	<u>490,616</u>	<u>1,485,912</u>
NET BOOK VALUE:				
At 30 June 2020	<u>282,299</u>	<u>4,218,321</u>	<u>110,180</u>	<u>4,610,800</u>
At 30 June 2019	<u>282,299</u>	<u>4,246,985</u>	<u>140,373</u>	<u>4,669,657</u>

All of the assets are used for charitable purposes.

6 DEBTORS

	2020	2019
	£	£
Fees outstanding	74,597	79,489
Prepayments	11,771	22,807
Other debtors	21,873	59,185
	<u>108,241</u>	<u>161,481</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Fees in advance	7,019	12,202
Trade Creditors	25,441	55,218
Deferred grant income	50,000	-
Taxes and social security	38,314	35,442
Accruals	31,283	27,065
Holiday pay accrual	42,000	-
	<u>194,057</u>	<u>129,927</u>

Movement on Deferred Income (Fees in advance):

	2020	2019
	£	£
Deferred income brought forward	12,202	14,159
Income released in the year	(9,003)	(6,557)
Income deferred in the year	3,820	4,600
Deferred income carried forward	<u>7,019</u>	<u>12,202</u>

MOORLANDS COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2020**

8 RECONCILIATION ON MOVEMENTS OF FUNDS

For the year ended 30 June 2020

	At 1 July 2019	Income	Expenditure	Transfers	At 30 June 2020
	£	£	£	£	£
Unrestricted Funds					
General fund	385,142	1,962,197	(1,797,078)	(99,898)	450,363
Designated funds					
Contingency Fund	186,300	-	-	-	186,300
Cyclical Refurbishment & Maintenance	200,674	-	(30,347)	42,826	213,153
Building Fixed Assets	4,529,283	-	(45,838)	17,174	4,500,619
Equipment Fixed Assets	140,373	-	(81,906)	51,713	110,180
	5,056,630	-	(158,091)	111,713	5,010,252
Total unrestricted funds	5,441,772	1,962,197	(1,955,169)	11,815	5,460,615
Restricted funds					
New Projects Fund	(321)	51,060	(18,441)	-	32,298
Student Bursary Fund	38,800	7,414	(3,485)	-	42,729
Student Hardship Fund	9,960	1,170	(2,934)	-	8,196
Brenda Brady Bursary Fund	31,531	1,900	(9,462)	-	23,969
Misc. Other Restricted Funds	22,966	223,767	(195,552)	(11,815)	39,366
Total restricted funds	102,936	285,311	(229,874)	(11,815)	146,558
Total funds	5,544,708	2,247,508	(2,185,043)	-	5,607,173

For the year ended 30 June 2019

	At 1 July 2018	Income	Expenditure	Transfers	At 30 June 2019
	£	£	£	£	£
Unrestricted Funds					
General fund	406,508	1,949,197	(1,876,781)	(93,782)	385,142
Designated funds					
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
Total unrestricted funds	5,457,059	1,949,197	(2,012,006)	47,522	5,441,772
Restricted funds					
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
Total restricted funds	220,119	93,380	(163,041)	(47,522)	102,936
Total funds	5,677,178	2,042,577	(2,175,047)	-	5,544,708

MOORLANDS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2020

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 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 (18/19: £60,000).

Capitalisation of plant and equipment fixed assets purchased in the year, and transferred to the designated fund for Equipment Fixed Assets: £39,898 (18/19: £33,782).

Between Designated Funds:

Capitalisation of fixed assets purchased under Cyclical Refurbishment & Maintenance and transferred to the designated fund for Building Fixed Assets: £17,174 (18/19: £68,588).

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: £11,815 (18/19: £47,522).

MOORLANDS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2020

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2020	Unrestricted Funds				Total Funds £
	General	Designated	Restricted		
	Fund	Funds	Funds		
	£	£	£		
Fixed assets	-	4,610,800	-	4,610,800	
Cash at bank and in hand	521,228	399,452	142,853	1,063,533	
Stock	18,656	-	-	18,656	
Debtors	103,786	-	4,455	108,241	
Creditors	(193,307)	-	(750)	(194,057)	
	<u>450,363</u>	<u>5,010,252</u>	<u>146,558</u>	<u>5,607,173</u>	

2019	Unrestricted Funds				Total Funds £
	General	Designated	Restricted		
	Fund	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>	

10 LEASES

Operating lease charges for the year were £1,606 (2019: £1,446). At 30 June 2020, the College had total future minimum payments under non-cancellable operating leases as:

	Land & buildings		Other	As at 30 June 2019	
				Land & buildings	Other
	£	£		£	£
within 1 year	-	1,606	-	1,606	
within 2 to 5 years	-	3,211	-	4,816	
after 5 years	-	-	-	-	
	<u>-</u>	<u>4,817</u>	<u>-</u>	<u>6,422</u>	

11 CAPITAL COMMITMENTS

There were no capital commitments at 30 June 2020 (2019: £nil).

12 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2020 (2019: £nil).