

Newbold College
(Trading as Newbold College of Higher Education)

Company No: 3143237
Registered Charity No (England and Wales): 1052494

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2019

Newbold College

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**Newbold College
Governors
For the year ended 31 December 2019**

Raafat Kamal	Chair
Ian Sweeney	Vice Chair
John Baildam	Secretary
Audrey Andersson	
Nenad Jeuranovic	
Daniel Duda	
Patrick Johnson	
Rob De Raad	
Kalervo Aromäki	Resigned 19 May 2019
Aimo Helminen	Appointed - 19 May 2019
Jaroslav Dziegielewski	Resigned - 3 June 2018
Ryszard Jankowski	Appointed - 3 June 2018
Bobby Sjolander	
Victor Marley	
Thomas Müller	
Drago Mojzes	
David Nömmik	Resigned - 19 May 2019
Tamas Ócsai	
Djordje Trajkovski	Resigned - 19 May 2019
Emmanuel Osei	
Kathleen Hanson	Resigned - 24 September 2019
Regina Abbequaye	Appointed - 25 September 2019
Styrkár Dramstad	
Sophia Nicholls	
Isabel de Moraes	
Claudette Comerasamy	
Victor Hulbert	
Ingalill Gimbler-Berglund	
Robert Pearce	Resigned - 19 May
Ian Redfern	
Carsten Waern	Resigned - 25 November 2018
Berton Samuel	Resigned - 20 May 2018
Judy Clements	Appointed - 20 May 2018
Dragan Grujic	Appointed - 19 May 2019
Ivo Kask	Appointed - 19 May 2019

Newbold College
Reference and administrative details of the charity and advisers
For the year ended 31 December 2019

Company number	3143237
Charity number	1052494
Bankers	HSBC Bank Ltd Bracknell Berks RG12 1DN
Solicitors	Clifton Ingram LLP Solicitors 22-24 Broad Street Wokingham Berkshire RG40 1BA
Auditors	Moore Kingston Smith LLP 4 Victoria Square St Albans Herts AL1 3TF
Registered Office	St Marks Road Binfield Bracknell Berks RG42 4AN

Newbold College

Governors' Report

For the year ended 31 Decemebr 2019

The Governors (who are also directors of the Charity for the purposes of the Companies Act) submit their annual report and the audited financial statements of Newbold College of Higher Education (the Company) for the year ended 31 December 2019. The Governors confirm that the annual report and financial statements of the Company comply with current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP) "The FRS 102 Charities SORP, the Companies Act 2006 and Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 03 January 1996, much later than its start in 1901 (though with a different name) as a higher education provider.

The Company's mission is to foster a Christ-centered and diverse learning community that prepares students for service in an ever-changing world. This includes, but is not limited to, training pastors and other professionals for employment by the Seventh-day Adventist Church in Europe.

There have been no changes in the objectives since the last annual report.

METHOD OF APPOINTMENT OR ELECTION OF GOVERNORS

The management of the Company is the responsibility of the Governors. Governors come from within the British Isles and 12 neighbouring nations, reflecting the diversity of the student body.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board is a governing and policy-making body, which is responsible for formulating and adopting the strategy for the College as well as setting key performance indicators (KPIs). It is not responsible for the day-to-day running of the College. Its work is to balance the need of conformance (i.e. compliance with legislation, regulation and codes of practice - both within the Church and academia) with performance (i.e. improving the performance of the organisation through strategy formulation and policy-making). Scheduled meetings are normally held twice per year, in May and November

The Executive Committee of the Board of Governors acts on behalf of the Board of Governors and makes decisions on major operational matters based on the recommendations received from Board sub-committees, and the College Principal. The Executive Committee meets about six times annually between the dates of the scheduled full Board meetings.

The Trans-European Division (TED) Executive Committee endorses the Board's appointment of the Principal and this role is critical to ensuring effective College governance. As the link between Board and management, the Principal is responsible for ensuring that policies are implemented on a day-to-day basis. The Principal communicates the strategy and KPIs to the College's Senior Leadership Team which comprises the Chief Financial Officer, the Academic Registrar and the Principal, and which is responsible for reporting back to the Board. His or her regular reports should enable the Board to monitor organisational performance. The Principal is the only employee of the College who is an ex officio member of the Board of Governors and therefore has voice and vote at Board meetings with the exception of any agenda item which might deal with his or her salary. Although the Principal is the link between Board and management, the Board is responsible for good governance by ensuring that sound systems of risk management and robust internal controls are in place throughout the College organisation.

Newbold College
Governors' Report (continued)
For the year ended 31 December 2019

RELATED PARTY RELATIONSHIPS

The Company is controlled by the Trans-European Division of the General Conference of Seventh-day Adventists. The TED supports the Company with core funding and management consultation.

RISK MANAGEMENT

The Governors have assessed all risks to which the Company is exposed, both from internal and external sources, and are satisfied that systems and procedures are in place to mitigate the Company's exposure to possible jeopardy.

OBJECTIVES AND ACTIVITIES

POLICIES AND OBJECTIVES

The main strategic priorities of Newbold College of Higher Education are to provide high quality, creative and challenging learning opportunities; promote and mentor the spiritual growth of students and staff; nurture and support students throughout their learning experience; and promote opportunities for service to meet the needs of others. Further, it is important to the College that it fills the needs of the Seventh-day Adventist Church in Europe for educated pastors and lay people. This is achieved by educational experiences that enhance all aspects of student life - the mental, physical, emotional, environmental and spiritual. During the year ending 31 December 2019 the College offered a Postgraduate Certificate in Ministry and Mission; an MA degree in Theology; a Graduate Diploma in Biblical & Pastoral Studies; undergraduate degrees in Biblical & Pastoral Studies, Religious Studies, Humanities and Business Studies; as well as short Study Abroad programmes and courses in English for Speakers of Other Languages.

STRATEGIES FOR ACHIEVING OBJECTIVES

The College aims to deliver educational experiences of the highest quality and at the most manageable costs possible. The Board of Governors and the Administration of the Company actively seek to celebrate diversity in its many forms, value each individual and ensure that each member of academic staff, professional services staff and the student body find joy in their work and association together.

Our strategies include: the development and maintenance of a three-year strategic and overarching whole-of-college operational plan; the development and maintenance of action plans for the findings of the Quality Assurance Agency, the British Accreditation Council, and the Accrediting Association of Seventh-day Adventist Schools, Colleges and Universities; ensuring sustainability in the College's academic programmes and operations; attracting and developing quality staff; implementing a three-year budget framework and five-year financial and capital plans; building robust international enrolments; developing property holdings to increase income; building commercially astute and profitable College businesses; building productive relationships with alumni and potential sponsors; and applying understanding of and respect for cultural differences in diverse environments.

Newbold College

Governors' Report (continued)

For the year ended 31 December 2019

ACTIVITIES FOR ACHIEVING OBJECTIVES

The College is organised to accomplish its objectives in the following manner:

- Offer a range of academic programmes developed in response to market demands and within the mission of the College
- Organise academic curriculum areas to deliver a variety of quality programmes under the aegis of the Academic Board, thereby maintaining the highest assurances of quality
- Regularly achieve accreditation and validation of all programmes within an appropriate higher education context and through the Accrediting Association of Seventh-day Adventist Schools, Colleges and Universities
- Challenge students to peak performance
- Maintain student services with particular responsibility for the social, emotional and spiritual welfare of all students - whether single, married, with or without children, residing on or off campus
- Develop balanced budgets and maintain timely and accurate financial reports with the goal of acceptable levels of accounts receivable and payable; achieve reasonable reserves, net worth and liquidity and working capital; honour the intent of restricted endowed and special funds; give oversight to inventories
- Continually cultivate associations with alumni and other prospective supporters so as to expand support for maintenance of the College's goals - recruiting the highest quality staff, educating energised and insightful students who will be service-oriented, offering educational experiences in a premier structural setting (buildings and classrooms).

ACHIEVEMENTS AND PERFORMANCE

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

REVIEW OF ACTIVITIES

This report covers the period 01 January 2019 to 31 December 2019.

Between September 2012 and September 2015 all Theology credits were offered through Theologische Hochschule Friedensau, Germany, or through Andrews University, Michigan, USA. In the summer of 2015 the College obtained institutional partnership with the University of Wales Trinity Saint David, with no conditions. This led to the validation in September 2015 of the College's undergraduate and postgraduate Theology awards through the University, though Friedensau and Andrews options continue to be available. During the year under review, the College continued to offer its robust Andrews University BA degrees in Humanities (formerly known as Liberal Arts), Religious Studies and Theology, as well as an undergraduate Licence in Theology which parallels the University of Wales Trinity Saint David-validated Graduate Diploma in Biblical & Pastoral Studies. These programmes have not required the addition of any modules or staff.

In order to provide an even greater service at no additional cost, the College continues to package modules from its Andrews University Year in England offerings to be able to deliver six short programmes by means of Certificates. These were launched in September 2013 and comprise the Certificate in Humanities; the Certificate in English Literature; the Certificate in History; the Certificate in Media; the Certificate in Performing Arts; and the Certificate in Religious Studies. The Certificates are awarded by the College for the time being, but credits are transcribed by Andrews University.

By the end of 2013 the College had ensured that all credit-bearing modules have at least an element of online provision. Selected modules are already available online either in full for off-campus students, or in part as support for on-campus students. The English Language Centre is also exploring the possibilities of online delivery.

Newbold College
Governors' Report (continued)
For the year ended 31 December 2019

In November 2019 the College underwent its full quinquennial audit by the Accrediting Association of Seventh-day Adventist Schools, Colleges and Universities. The College was granted continuing accreditation until the end of 2024, the maximum term available for the panel to recommend.

Having passed its September 2016 submission to the Quality Assurance Agency for Higher Education in the United Kingdom (QAA) for financial sustainability, management and governance (FSMG), the College sent its self-evaluation document and supporting annexes to the QAA in November 2016 in preparation for its Higher Education Review (Alternative Providers) which took place in February 2017. This successful review was followed up in the usual way by successful annual monitoring visits in March 2018 and March 2019.

With designation by the new Office for Students (OfS) granted in the autumn of 2018 for the College's University of Wales Trinity Saint David-validated programmes (with the exception of the Graduate Diploma), the College is in the throes of registering with OfS and in connection with such registration is fulfilling the requirements of the Prevent Duty and relevant Safeguarding legislation.

In October 2017 the College underwent a quadrennial re-accreditation visit by a panel representing the British Accreditation Council for Further and Higher Education. The report was published in December 2017 and a further four-year term of accreditation was awarded, with a successful interim visit occurring in May 2019.

During the year under review, representatives of the College attended Home Office/British Accreditation Council/Quality Assurance Agency seminars in its endeavours to comply with immigration regulations, maintaining a Home Office Sponsor Licence for Tiers 2, 4 and 5. To this end it sought to comply with all legislation regarding CAS (Confirmation of Acceptance for Studies), timetabling, and attendance.

During 2019 the College received £47,425.09 in donations to support operations and worthy-student scholarships.

FACTORS RELEVANT TO ACHIEVE OBJECTIVES

Important factors of Newbold's success are the professional success of its graduates and positive word-of-mouth comments by satisfied students and dedicated staff. The Government's restrictions on UK entry make it increasingly challenging for students to obtain visas to enter the country and study at Newbold College of Higher Education. The possible restrictions which may occur as a result of the Brexit process are under constant review

FINANCIAL REVIEW

RESERVES POLICY

The reserves policy of Newbold College of Higher Education is that a working capital of 20% of the annual operating expense, in addition to allocated funds, be maintained. This was achieved in 2018 & 2019 as a result of cash inflow from the sale of redundant properties and surplus made for the past four years.

The Charity had unrestricted reserves of £7,882,192 (2018: £7,936,195). And total reserves of £11,892,861 (2018: £11,898,539).

FUTURE FUNDING & FINANCIAL SUPPORT

The College relies upon its owner, the Trans-European Division of the General Conference of Seventh-day Adventists, to supplement its income, just as most universities in the UK are reliant upon government support. The aim, however, is to grow much more financially self-sufficient through donations, endowments and creating funding streams beyond that of tuition.

PLANS FOR THE FUTURE

FUTURE DEVELOPMENTS

The Governors intend to continue meeting the Company's objectives by operating this College of Higher Education.

Newbold College
Governors' Report (continued)
For the year ended 31 December 2019

Rigorous steps have been taken to improve cashflow and working capital to ensure the survival of institution.

Further upgrade of the physical plant and campus renewal initiatives have been prioritised which will be funded through asset management and development. Work completed during 2019 includes the completion of the first phase of the refurbishment of what is now an excellent Sports Hall-Auditorium. The restoration of the Moor Close Gardens continues, and as a result of the relevant building permissions completion of the refurbishment of the Moor Close Suites was effected in the summer of 2019.

In the light of low student numbers the Board of Governors set up an ad hoc regeneration panel to report to the Board in February 2014. The findings of the panel formed part of strategies and developments within the College. In November 2015 the Board set up a Regeneration Assessment and Development Panel. This duly reported to the Board in May 2016.

During the year under review the Board investigated the possibilities for the future of Egremont and for the building of a snack bar/book shop. It is anticipated that final decisions will be made early in 2020.

Effect of Covid 19 on the College

After the year end on 23 March 2020 the Government announced a national lockdown in response to the Covid 19 Pandemic.

This had a major impact on the College. The campus was closed for a period of time with a subsequent loss of income of the charity.

The charity was able to take advantage of the Government measures, in particular the Furlough Scheme, to reduce the cost base of the charity in these difficult times.

Our Board of Trustees responded to this new challenge by reviewing in detail the budgets prepared by the senior leadership team via video-calls and refocussing governance to the immediate emergency needs.

The charity was able to come through these difficult times thanks to the strong financial position of the charity before the pandemic. The charity had in excess of £6 million in net current assets and has been able to draw down on these reserves to ensure the college is able to maintain its position.

The Board continue to review the ongoing position and will take necessary action as required.

Newbold College
Statement of Governors' Responsibilities
For the year ended 31 December 2019

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors (who are also directors of Newbold College for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors 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 charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure to Auditors

So far as each of the Governors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Governors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors reappointment

The auditors are deemed to be reappointed under section 487(2) of the Companies Act 2006 This report was approved by the Governors on and signed on their behalf by:



Raafat Kamal
Chair of the Board of Governors

Date: 20 JAN 2021

Newbold College
Independent Auditors' Report to the Governors of
Newbold College

Opinion

We have audited the financial statements of Newbold College (the company) for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 trustees 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.

Newbold College

Independent Auditors' Report to the Governors of

Newbold College

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 the audit:

- o the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- o the Trustees' Annual Report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

- o the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- o adequate accounting records have not been kept; or
- o the financial statements are not in agreement with the accounting records and returns; or
- o certain disclosures of trustees remuneration specified by law are not made; or
- o we have not received all the information and explanations we require for our audit.
- o the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Newbold College
Independent Auditors' Report to the Governors of
Newbold College

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Silvia Vitiello, Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP, Statutory Auditors

4 Victoria Square
St Albans
Herts
AL1 3TF

Date: 22.01.2021

Newbold College
Statement of Financial activities
For the year ended 31 December 2019

Notes	2019			2018				
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
Income and Expenditure								
Income and endowments from								
2 Donations and legacies	1,823,008	-	-	1,823,008	1,839,962	397,475	-	2,237,427
3 Charitable activities	2,597,187	100	-	2,597,287	2,670,247	-	-	2,670,247
4 Other trading activities	-	-	-	-	-	-	-	-
4 Investments	1,823	850	-	2,673	1	403	-	404
5 Other Income	-	-	-	-	-	-	-	0
	<u>4,422,018</u>	<u>950</u>	<u>-</u>	<u>4,422,968</u>	<u>4,510,200</u>	<u>397,878</u>	<u>-</u>	<u>4,908,078</u>
Expenditure on:								
6 Raising funds	70,921	-	-	70,921	70,289	-	-	70,289
7 Charitable activities	4,214,177	81,207	41,666	4,337,050	3,811,793	63,629	85,931	3,961,353
8 Governance	20,675	-	-	20,675	22,338	-	-	22,338
	<u>4,305,773</u>	<u>81,207</u>	<u>41,666</u>	<u>4,428,646</u>	<u>3,904,420</u>	<u>63,629</u>	<u>85,931</u>	<u>4,053,980</u>
Net (Outgoing)/ Incoming Resources	115,245	(80,257)	(41,666)	(5,678)	605,780	334,249	(85,931)	854,098
Transfers between funds	(370,248)	124,177	246,071	-	(281,546)	170,546	111,000	-
Net Movement in Funds	(254,003)	43,920	204,405	(5,678)	324,234	504,795	25,069	854,098
Reconciliation of funds								
Fund balances brought forward at 01 January	7,936,195	1,227,904	2,734,440	11,898,539	7,611,961	723,109	2,709,371	11,044,441
Fund balances carried forward at 31 December	<u>7,682,192</u>	<u>1,271,824</u>	<u>2,938,845</u>	<u>11,892,861</u>	<u>7,936,195</u>	<u>1,227,904</u>	<u>2,734,440</u>	<u>11,898,539</u>

There were no recognised gains and losses other than those included in the statement of financial activities.

All activities relate to continuing operations

The notes on pages 15 to 29 form part of these financial statements.

Newbold College
Balance sheet as at
31 December 2019

	Notes	2019 £	2018 £
Fixed Assets			
Tangible fixed assets	14	6,152,204	6,062,492
		<u>6,152,204</u>	<u>6,062,492</u>
Current Assets			
Stock and work in progress		11,745	21,225
Investments	13	243,452	242,602
Debtors	15	5,693,654	5,981,297
Cash at bank and in hand		595,630	484,129
		<u>6,544,481</u>	<u>6,729,253</u>
Creditors: Amounts falling due within one year	16	803,824	893,206
		<u>5,740,657</u>	<u>5,836,047</u>
Net Current Assets		<u>5,740,657</u>	<u>5,836,047</u>
Net Assets		<u><u>11,892,861</u></u>	<u><u>11,898,539</u></u>
Funds			
Endowment	17	2,938,845	2,734,440
Restricted	17	1,292,198	1,227,904
Unrestricted	17	7,661,819	7,936,195
		<u>11,892,861</u>	<u>11,898,539</u>

The Governors acknowledge their responsibilities for complying with the arrangements of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

Approved and authorised for issue by the Board of Governors on 20/1/2020, and signed on its behalf by:



Trustee
Company number: 3143237
Charity number: 1052494

The notes on pages 15 to 29 form part of these accounts.

Newbold College
Statement of Cash Flows
For the year ended 31 December 2019

	2019	2018
	£	£
Cash flows from operating activities		
Net (Expenditure)/ Income for the year	(5,878)	854,098
Adjustments for:		
Depreciation of tangible fixed assets	310,364	313,300
Interest received	(2,673)	(404)
Changes in working capital:		
Increase/(decrease) in debtors	287,641	(618,261)
(Decrease)/increase in creditors	(89,382)	211,487
Decrease/(increase) in stocks	9,480	(5,885)
Net cash (used in) / generated by operating activities	<u>509,752</u>	<u>754,335</u>
Cashflows from investing activities		
Proceeds from sale of assets	-	
Purchase of Investments	(850)	(121,078)
Purchase of fixed assets	(400,075)	(819,535)
Interest received	2,673	404
Net cash from investing activities	<u>(398,252)</u>	<u>(940,209)</u>
Change in cash and cash equivalents in the year	111,500	(185,874)
Cash and cash equivalents at beginning of year	484,129	670,003
	<u>595,629</u>	<u>484,129</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

1 Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the companies Act 2006 and Charities Act 2011.

1.2 Charity status

The charity is a company limited by guarantee. The members of the company are defined in the Articles of Associations and include members of the Board of Governors named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The Board of Governors have assessed whether the use of going concern is appropriate in light of the global pandemic and have been considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the Governors have considered the charitable company's forecasts and projections and have taken account of pressures on fee income in light of the effects of Covid-19. Whilst there has been an impact as a result of the closure of the campus with a subsequent impact on income, the overall impact on the charitable company has been mitigated due to its strong financial position. The charitable company has also taken advantage where relevant of government assistance programs as detailed in the Trustees Report. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Incoming resources

All income is recognised when there is entitlement to the funds, the receipt is probable and amount can be measured reliably.

Income by way of donations and gifts to the charity is included in full in the statement of financial activities when received. Intangible income is not included unless it represents goods or services which would have otherwise been purchased.

Legacies are monitored from the time of notification to their final receipt. They are only included in the financial statements when there is sufficient evidence that the legacy will be received and the value can be measured with sufficient reliability.

1.5 Fund accounting

Restricted funds are those which are to be used for the specified purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the appropriate fund.

Unrestricted funds are donations and other income received or generated for the furtherance of the objects of the charity without specified purposes and, therefore, are available as general funds.

Endowment funds are income and expenditure relating to the land & buildings held for the primary purpose of the Charity which include the Newbold College Campus, Lecture Halls, Library, Administrative Buildings and Student Halls of Residence.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

1 Accounting Policies (Continued)

1.6 Grant-making policies

The Board of Governors allocate grants in accordance with the objects set out in the Memorandum and Articles of Association of the charitable company, which are summarised in the Governors' Annual Report.

1.7 Resources expended

Staff costs and overhead expenses are allocated to activities on the basis of time spent on those activities. Resources expended are included in the Statement of Financial Activities on an accruals basis.

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

All costs include value added tax where applicable.

1.8 Risk mitigation

The company's directors have given consideration to the major risks to which the charity is exposed and established systems or procedures in order to manage those risks.

1.9 Foreign Currency Translations

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the statement of financial activities.

1.10 Fixed assets

Depreciation is provided on tangible fixed assets in order to write off each asset over its expected economic life. The rates of depreciation applied to each class of asset are:

Functional Land and Buildings	1.3% per annum cost basis
Office fixtures and equipment	5% to 20% per annum cost basis
Other Land and Buildings	1.3% per annum cost basis

Items of furniture and equipment costing less than £1000 each are treated as an expense on acquisition.

1.11 Classification of Land and Buildings

Functional Properties - Land and Buildings held for the primary purpose of the charity, the Newbold College Campus, Lecture halls, Library, Administrative Buildings and Student Halls of Residence, are considered to be effectively endowment assets and are shown at cost less attributable depreciation.

Other Properties - Land and Buildings not held for the primary purpose of the charity but held by the charity for its own general purposes and not for their investment potential, comprise mainly tenanted domestic dwellings .

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

1.12 Pension costs

Following the closure of the Seventh-day Adventist Retirement plan in December 2013, pension are now provided in terms of the national Auto-Enrolment requirements and invested in a Group Personal Pension Plan through Legal and General.

1.13 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.14 Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

1.15 Financial Instruments

a. Cash and Cash equivalents - this include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b. Debtors and creditors - Debtors and creditors receivable or payable within one year of reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

1.16 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Board of Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, Board of Governors consider factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investment, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property, plant and equipment.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

2 Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
2019				
Operating grants from parent organisation	1,570,825	-	-	1,570,825
Special grants from parent organisation	-	-	-	0
	<u>1,570,825</u>	<u>-</u>	<u>-</u>	<u>1,570,825</u>
Donations	252,183	-	-	252,183
Legacies	-	-	-	0
	<u>1,823,008</u>	<u>-</u>	<u>-</u>	<u>1,823,008</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
2018				
Operating grants from parent organisation	876,678	-	-	876,678
Special grants from parent organisation	896,251	-	-	896,251
	<u>1,772,929</u>	<u>-</u>	<u>-</u>	<u>1,772,929</u>
Donations	23,810	16,230	-	40,040
Legacies	43,213	381,245	-	424,458
	<u>1,839,952</u>	<u>397,475</u>	<u>-</u>	<u>2,237,427</u>

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
2019				
Tuition Income	1,233,679	-	-	1,233,679
Accommodation and Lodging Income	957,156	-	-	957,156
Rental Income	260,304	-	-	260,304
Departmental Income	104,387	-	-	104,387
Other Income	41,661	100	-	41,761
	<u>2,597,187</u>	<u>100</u>	<u>-</u>	<u>2,597,287</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
2018				
Tuition Income	1,203,896	-	-	1,203,896
Accommodation and Lodging Income	1,056,791	-	-	1,056,791
Rental Income	229,368	-	-	229,368
Departmental Income	125,189	-	-	125,189
Other Income	55,003	-	-	55,003
	<u>2,670,247</u>	<u>-</u>	<u>-</u>	<u>2,670,247</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

4	Income from Investments				
	2019	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
		£	£	£	£
	Bank Interest	1,823	850		2,673
	2018	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018
		£	£	£	£
	Bank Interest	1	403	-	404
5	Other Income				
	2019	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
		£	£	£	£
	Gain on Sale of Fixed assets	-	-	-	-
	2018	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018
		£	£	£	£
	Donated property	0	-	-	-

Newbold College

**Notes to the Financial Statements
For the year ended 31 December 2019**

6 Expenditure on raising funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019	Unrestricted Funds	Restricted Funds	Endowment Funds
	£	£	£	£	£	£	£
Advertising	53,350	17,572	-	70,922	43,320	-	-
Recruitment	-	-	-	-	26,969	-	-
	<u>53,350</u>	<u>17,572</u>	<u>-</u>	<u>70,922</u>	<u>70,289</u>	<u>-</u>	<u>-</u>

7 Expenditure on charitable activities

	Academic Services	Property Maintenance	Support Cost	Total 2019	Academic Services	Property Maintenance	Support Cost
	£	£	£	£	£	£	£
Salaries	2,074,180	-	-	2,074,180	1,868,390	-	-
Social Security	189,229	-	-	189,229	168,536	-	-
Retirement cost	226,308	-	-	226,308	185,885	-	-
Other personal expense	87,097	-	-	87,097	80,902	-	-
Direct costs	214,838	-	-	214,838	248,745	-	-
Administration	-	-	400,788	400,788	-	-	346,366
Exchange loss	-	-	530	530	-	-	-
Buildings	-	499,241	-	499,241	-	488,104	-
Office	-	-	206,466	206,466	-	-	174,858
Departmental	62,438	-	-	62,438	57,509	-	-
Scholarship expenses	-	-	85,564	85,564	-	-	27,765
Depreciation	-	310,364	-	310,364	-	313,313	-
Loss on disposal of equipment	-	-	-	-	-	-	-
	<u>2,854,098</u>	<u>809,605</u>	<u>673,348</u>	<u>4,337,051</u>	<u>2,610,947</u>	<u>801,417</u>	<u>548,989</u>

Analysis by fund:

	Total 2019	Total 2018
	£	£
Unrestricted funds	4,214,178	3,811,793
Restricted funds	81,207	63,829
Endowment funds	41,666	85,931
	<u>4,337,051</u>	<u>3,961,353</u>

8 Other expenditure

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019	Unrestricted Funds	Restricted Funds	Endowment Funds
	£	£	£	£	£	£	£
Governance costs (see note 10)	20,875	-	-	20,875	22,338	-	-

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

9 Analysis of governance and support costs

	General Support	Governance	Total 2019	Total 2018
	£	£	£	£
Board Expenditure	-	9,755	9,755	15,338
Audit	-	10,920	10,920	7,000
Exchange loss	530	-	530	-
Bad debts Expenses	17,935	-	17,935	34,196
Professional fees	118,043	-	118,043	88,466
Interest Expense	14,773	-	14,773	14,461
Other Administrative Expenses	250,038	-	250,038	216,243
Office Supplies & IT expense	85,743	-	85,743	64,127
Telephone and Postage	21,235	-	21,235	22,831
Equipment Maintenance	99,488	-	99,488	87,900
Scholarship Expenses	65,564	-	65,564	27,765
	673,349	20,675	694,024	578,327

10 Total Resources Expended

Summary by expenditure type	Staff Costs	Other Costs	Depreciation	Total 2019	Total 2018
	£	£	£	£	£
Charitable activities	2,489,727	1,536,959	310,364	4,337,050	3,961,353
Costs of generating voluntary income	-	70,921	-	70,921	70,383
Governance costs	-	20,675	-	20,675	22,338
	2,489,727	1,628,555	310,364	4,428,646	4,054,074

Summary by fund type	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
2019	£	£	£	£
Charitable activities	4,214,177	81,207	41,666	4,337,050
Costs of generating voluntary income	70,921	-	-	70,921
Governance costs	20,675	-	-	20,675
	4,305,773	81,207	41,666	4,428,646

Support costs have been allocated on the basis of staff timings incurred.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

Summary by fund type	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018
2018	£	£	£	£
Charitable activities	3,811,793	63,629	85,931	3,961,353
Costs of generating voluntary income	70,383	-	-	70,383
Governance costs	22,338	-	-	22,338
	<u>3,904,514</u>	<u>63,629</u>	<u>85,931</u>	<u>4,054,074</u>

11 Total Resources Expended (continued)

Included within total expenditure:

	2019	2018
	£	£
Auditors' remuneration	10,920	7,000
Depreciation of tangible fixed assets	<u>310,364</u>	<u>313,313</u>

12 Analysis of costs

Staff costs consist of:	2019	2018
	£	£
Salaries	2,074,190	1,868,390
Social security costs	189,229	168,536
Pension costs	226,308	185,865
	<u>2,489,727</u>	<u>2,222,791</u>

The average number of employees during the year was 51 (2018 - 46).

Employee trustees received emoluments during the year amounting to £52,071 (2018 - £55,014)

The number of employees whose emoluments exceeded £60,000 was nil (2018 - nil)

During the year expenses relating to attendance at trustee meetings were paid to 11 trustees and amounted to £6,726 (2018 - £15,338)

Non-employee trustees performed services for the College, for which they were paid £1,494

13 Short-term investments:

	2019	2018
	£	£
Market value as at 1 January	242,602	121,524
Interest re-invested	850	121,078
Market value at 31 December	<u>243,452</u>	<u>242,602</u>
Investments consist of the following:	£	£
Bank term deposits in excess of three months	<u>243,452</u>	<u>242,602</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

14 Tangible Fixed Assets

	Functional Land and Buildings £	Other Land and Buildings £	Fixtures and Equipment £	Total £
Cost				
At 1 January 2019	4,100,960	2,664,283	2,088,504	8,853,748
Additions	246,071	8,680	145,345	400,075
Disposals	-	-	-	-
At 31 December 2019	<u>4,347,031</u>	<u>2,672,943</u>	<u>2,233,849</u>	<u>9,253,824</u>
Depreciation				
At 1 January 2019	1,608,720	503,891	678,645	2,791,256
Charge for the period	41,666	131,984	136,714	310,364
Eliminated on disposal	-	-	-	-
At 31 December 2019	<u>1,650,386</u>	<u>635,875</u>	<u>815,359</u>	<u>3,101,620</u>
Net Book Value				
At 31 December 2019	<u>2,696,645</u>	<u>2,037,068</u>	<u>1,418,490</u>	<u>6,152,204</u>
At 31 December 2018	<u>2,492,240</u>	<u>2,160,392</u>	<u>1,409,859</u>	<u>6,062,492</u>

Land and Buildings

Carrying Value

Newbold College carries the value of the land and buildings in these accounts in accordance with their classification of the property.

Functional Properties - Land and Buildings held for the primary purpose of the charity, the Newbold College Campus, Lecture halls, Library, Administrative Buildings and Student Halls of Residence, are considered to be effectively endowed assets (see Basis of Title, below), and are shown at cost less attributable depreciation.

Other Properties - Land and Buildings not held for the primary purpose of the charity but held by the charity for its own general purposes (and not for their investment potential), comprising mainly tenanted domestic dwellings. These properties were valued by Pennicott, Chartered Surveyors, in February 25, 2013 at market value as defined by the International Valuations Standards council (IVSC) and adopted by the Royal Institution of Chartered Surveyors (RICS) in RICS Valuation - Professional Standards (Red Book, 8th Edition dated March 2012). This value was adopted at 01 January 2015 as the historical cost, in accordance with FRS 102 as modified by the Charities SORP.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

14 Tangible Fixed Assets (Continued)

Basis of Title

Legal title to the land and buildings shown in the accounts is held by charities with compatible objectives, World-Wide Advent Missions Ltd (registered Charity Number 210955) and Seventh-day Adventist Association Ltd (registered Charity Number 209780). Title is held in accordance with memoranda of understanding (agreement) dated 7th March 2007 between Newbold College Ltd, and the parent bodies of the title holders, the Trans-European Division of Seventh-Day Adventists, and the British Union Conference of Seventh-Day Adventists, respectively.

The agreement provides that the land and buildings would be for the use of Newbold College as long as it exists and remains situated in the UK. Newbold College does not have the power to encumber, lease, or sell land and buildings, without the consent of the title holders, and their parent bodies. These bodies have from time to time granted consent to the College to lease or sell land and property when it is considered in the best interest of the College's operations. If the operation of the College is terminated the title holders and their parent bodies will determine the use of the sale of the land and properties and the distribution of any sale proceeds.

The agreement affirms the shared purpose of providing Christian education in general and the training of ministerial personnel in particular and recognises the mutual benefits of the parties working together. The Charities holding legal title do not carry the Land and Buildings at any value in their accounts, and the College is responsible for insurance, repair and maintenance of the land and buildings.

Legal Charge

By a charge dated 13th March 2009, some of the Functional Properties are held by the Seventh-day Adventist Retirement Plan as security for all present and future obligations and liabilities of Newbold College and others to make payments to the scheme. The participation of Newbold College in respect of the scheme is disclosed in note 15. The property in question has not been re-valued in these accounts but is carried in accordance with the companies accounting policies at £2,492,241 representing cost less attributable depreciation. The property was professionally valued by Chartered Surveyors Gerald Eve LLP on 2nd March 2017 at £11,060,000.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

15 Debtors

	2019	2018
	£	£
Amounts due within one year:		
Trade debtors	166,061	220,755
Amounts due from parent charity	5,320,514	5,534,905
Amounts due from other related charities	65,237	93,954
Amounts due from employees	2,704	2,075
Loans to employees and others	1,763	2,775
Prepaid expenses	130,436	108,878
Other debtors	6,939	17,955
	<u>5,693,654</u>	<u>5,981,297</u>

16 Creditors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade creditors	76,364	107,354
Payments in advance by students	255,358	268,451
Amounts due to other related entities	45,338	48,500
Amounts due to employees	140	1,600
Other taxes and social security costs	60,700	52,744
Accrued expenses	188,004	326,060
Other amounts payable	75,383	60,373
Agency and trust funds	102,537	28,124
	<u>803,824</u>	<u>893,206</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

17 Funds analysis	Balance at 1 January 2019 £	Movement in Resources			Balance at 31 December 2019 £
		Incoming £	Outgoing £	Transfers £	
Endowment funds					
Scholarship endowment funds	242,199	-	-	-	242,199
Property endowment funds	2,492,241	-	(41,666)	246,071	2,696,646
Total endowment funds	<u>2,734,440</u>	<u>-</u>	<u>(41,666)</u>	<u>246,071</u>	<u>2,938,845</u>
Restricted funds					
Scholarship	908,858	6,582	(39,919)	2,848	880,369
Facilities	202,378	7,181	(23,517)	19,827	205,849
Health	36,336	-	-	1	36,337
Other Restricted Funds	80,332	5,581	(17,771)	101,701	169,843
Total restricted funds	<u>1,227,904</u>	<u>21,324</u>	<u>(81,207)</u>	<u>124,177</u>	<u>1,292,198</u>
Unrestricted funds					
Designated funds					
Property funds:					
Land & buildings	2,160,392	-	(131,984)	8,660	2,037,068
Plant & Equipment	1,409,859	-	(136,714)	145,345	1,418,490
Other designated funds	547,399	26,983	(32,953)	(99,969)	441,460
	<u>4,117,650</u>	<u>26,983</u>	<u>(301,651)</u>	<u>54,036</u>	<u>3,897,018</u>
General funds					
General funds	3,818,545	4,374,661	-4,004,122	(424,283)	3,764,801
	<u>3,818,545</u>	<u>4,374,661</u>	<u>(4,004,122)</u>	<u>(424,283)</u>	<u>3,764,801</u>
Total unrestricted funds	<u>7,936,195</u>	<u>4,401,644</u>	<u>(4,305,773)</u>	<u>(370,248)</u>	<u>7,661,819</u>
Total funds	<u>11,898,539</u>	<u>4,422,968</u>	<u>(4,428,646)</u>	<u>-</u>	<u>11,892,861</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

18 Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	3,455,558	-	2,896,646	6,152,204
Current assets	5,010,084	1,292,198	242,199	#REF!
Creditors due within one year	(803,824)	-	-	(803,824)
	<u>7,661,818</u>	<u>1,292,198</u>	<u>2,938,845</u>	<u>#REF!</u>
	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Tangible fixed assets	3,570,251	-	2,492,240	6,062,492
Current assets	5,259,150	1,227,904	242,199	6,729,253
Creditors due within one year	(893,206)	-	-	(893,206)
	<u>7,936,196</u>	<u>1,227,904</u>	<u>2,734,439</u>	<u>#REF!</u>

19 Pension Commitments

From 1st January 2014, contributions have been made under the Auto-Enrolment compliance legislation by the employer to a Defined Contribution plan invested with the Legal and General insurance company. The Charity contribution is restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within charitable activities fundraising costs and charged to the unrestricted funds of the Charity on the basis of the employees employed under each of those activities.

Newbold College also participates in a group defined contribution pension scheme and in several foreign pension schemes in respect of its foreign domiciled employees. The company's liability in respect of the foreign pension schemes is limited to the contributions assessed by these pension schemes. They are therefore accounted for as defined contribution schemes in these accounts. Contributions payable during the year amounted to £27,285 (2018 £23,263).

The Charity previously participated in a defined benefit pension scheme of the British Union Conference of Seventh Day Adventists. This scheme closed to service after 31 December 2013. Newbold College does not contribute to the recovery of the deficit for the plan but some of its functional properties are held against it as disclosed in note 15.

20 Related Party Transactions

Transactions with Governors are disclosed in Note 9 and 10. The following are transactions with the connected entities as describe in Notes 22 and 23.

	General Conference £	British Union Conference £	Total 2019 £	Total 2018 £
Operating grants received	1,570,825	-	1,570,825	876,678
Special grants received	-	-	-	896,251
Amounts due to charity < 1 year	-	-	-	44,319
Amounts due by charity < 1 year	<u>5,320,514</u>	<u>-</u>	<u>5,320,514</u>	<u>5,628,859</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

21 Controlling Party

The charity is controlled by the Trans-European Division of the General Conference of Seventh-day Adventists, 119 St Peter's Street, St Albans, Herts, AL1 3EY (Secretary: Audrey Andersson), by virtue of its executive committee forming the majority of the company's membership. The General Conference of Seventh-day Adventists is a non-profit making organisation registered in the USA.

22 Other Connected Entities

World-Wide Advent Missions Ltd (a registered charitable company), 119 St Peter's Street, St Albans, Herts, AL1 3EY, is the trustee corporation of the Trans-European Division, and holds title to part of the land and buildings occupied by the change.

British Union Conference of Seventh-day Adventists (a registered charity), Stanborough Park, Garston Watford, herts, WD25 9JZ, appoints the majority of the trustees of the group pension scheme.

Seventh-day Adventist Association Ltd (a registered charity), Stanborough Park, Garston Watford, herts, WD25 9JZ, is the trustee corporation of the British Union Conference, and holds title to part of the land and buildings occupied by the change.

South England Conference of Seventh-day Adventists (a registered charity), 25 St John's Road, Watford, Herts, WD17 1PZ, is the local conference of the Seventh-day Adventist churches in whose geographical area the is situated.

23 Trans-European Division of the General Conference of Seventh-day Adventists

The financial statements have been prepared assuming that the College will continue as a going concern. The current financial position has been remedied by the imminent sale of properties.

However, for its ongoing operating deficit, the College is dependent upon continuing subsidies from the controlling entity, the Trans-European Division of the General Conference of Seventh-day Adventists.

The Executive Committee of the Trans-European Division has agreed with the Governors to guarantee the ongoing current operations, and the liabilities and obligations of the College. The Governors have therefore drawn up these financial statements on the basis of a going concern.

24 Liabilities And Capital Commitments in respect of Land & Buildings

Newbold College accepted a liability to restore and manage the Moor Close Grade II listed gardens, arising as a consequence of a Section 106 agreement dated 14th August 2001 between The Seventh day Adventist Association Ltd and Bracknell Forest Borough Council, by virtue of granting an indemnity of the same date to The Seventh-day Adventist Association Ltd.

The costs were then estimated at £500,000.

In 2007 Richard Griffiths Architects prepared an updated estimate of costs (excluding VAT) and schedule of works which can be summarised as:

Urgent	repairs to secure weather tightness or for Health and Safety reasons	£70,510
Priority 1	repairs to secure survival of historic garden	£609,187
Priority 2	desirable restoration of lost elements to ensure long-term integrity of the historic garden	£949,004

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2019

25 Liabilities And Capital Commitments In respect of Land & Buildings (continued)

The trustees consider that, whilst desirable, the Priority 2 elements are not a requirement of the S106 agreement, and the use of their own charitable funds for this purpose would be outside the scope of their stated charitable objectives. However, they do wish to secure funding from appropriate heritage organisations and charitable bodies for this purpose.

Some of the Priority 1 work has been undertaken, and representations have been made to the Council to allow relaxation, amendment and rescheduling of ongoing works, an application to the local council for a change to the 106 agreement on the restoration of the Moor Close Gardens. The College is requesting that the major constructional and therefore most costly restoration work be taken out of the agreement in order for the College to be able to access public funding for the projects. The application was submitted spring 2011 and the College is still waiting for the Council's response.

A current professional opinion is not available quantifying either the obligatory works or the estimated costs, accordingly the liability of Newbold College cannot reliably be quantified and no provision has been provided in these accounts for the liability.

The trustees believe that funding will be forthcoming from other relevant organisations, and private donations.

