

St Chad's College

Report of the Governors and Financial Statements

For the year ended 30 September 2023

18 North Bailey
Durham
DH1 3RH

Company number 00109442
Registered charity number: 01142958

Contents

| | |
|--|----|
| Report of the Governors | 2 |
| Statement of the Governors' responsibilities in respect of the Governors' Annual Report and Financial Statements | 16 |
| Consolidated statement of financial activities (incorporating income and expenditure account) | 20 |
| Consolidated balance sheet | 21 |
| Charity balance sheet | 22 |
| Consolidated statement of cash flows | 23 |
| Cash flows from operating activities | 23 |
| Notes to the financial statements | 24 |

Report of the Governors

Legal and Administrative

St Chad's College is an independent constituent College of the University of Durham, founded in 1904 and governed by a Memorandum and Articles of Association dated 19 July 2014. The Members of the Association constitute the College and are the Governors for the time being, who are also the Trustees of the Registered Charity and Directors of the Limited Company.

Governors

Revd Fr M Woodruff, Chair
Miss M Aldam-Gates, Junior Common Room President (from 1st April 2023) *ex officio*
Mrs A Allen, Nomination of the College Tutors *ex officio*
Ms L Bradshaw
Revd Canon R Brown, Senior Common Room President (from 16th May 2023)
Mr A Buckle
Mr P Chandler, Nomination of the Bishop of Durham
Mr C Ferguson, Senior Common Room President (until 15th May 2023) *ex officio*
Mrs Y Gale (from 14th September 2023)
Prof S Hackett, Nomination of Durham University
Prof R Hannaford, Nomination of the Bishop of Carlisle
Mr J Harrison, Middle Common Room President (until 31st July 2023) *ex officio*
Ms J Haworth (until 24th August 2023)
Mr A Key, Nomination of the Archbishop of York
Mr M Lee, Middle Common Room President (from 1st August 2023) *ex officio*
Prof J Macnaughton, Nomination of Durham University
Mr J Marshall, Nomination of the Bishop of Newcastle
Dr M J Masson, Principal & Head of House, *ex officio*
Mr M Moran, JCR Student Governor
Mrs E Rowark (until 14th September 2023)
Revd R Springer
Ms M Vaughan (from 16th March 2023)
Mr M Wilkinson, JCR Student Governor (until 31st March 2023) *ex officio*
Prof J Wu

College Officers

Principal – Dr M J Masson
Finance & Operations Director – Mr A J Jenkins
Vice-Principal – Dr V Brown
Vice-Principal & Postgraduate Director – Rev Dr A P Wilson (until 31st October 2022)
(Dr M J Masson, Mr A Jenkins and Dr V Brown are also Directors of St Chad's College (Trading) Limited).

Company number

00109442

Registered Charity Number

01142958

Report of the Governors *(continued)*

Registered office

18 North Bailey
Durham
DH1 3RH

Secretary to the Governors and Company Secretary

Mr A J Jenkins

Bankers

National Westminster Bank
12 Market Street
Durham
DH1 3NG

Solicitors

Swinburne Maddison Solicitors
Venture House
Aykley Heads Business Centre
Aykley Heads
Durham
DH1 5TS

Surveyor

Avison Young
Central Square
Forth Street
Newcastle upon Tyne
NE1 3PJ

Investment Managers

CCLA Investment Management Ltd
One Angel Lane
London
EC4R 3AB

Rathbones Investment Management Ltd
George House
Glasgow
G2 1EH

Auditors

Haines Watts North East LLP
17 Queens Lane
Newcastle
NE1 1RN

Report of the Governors (*continued*)

The Governors, who are also directors of the Company or College for the purposes of the Companies Act, submit their annual report and the audited financial statements of St Chad's College (the "Company" or "College") for the year ended 30 September 2023. The Governors confirm that the annual report and financial statements of the Company or College comply with current statutory requirements, the requirements of the Company or College's governing document and the provisions of the Charities Statement of Recommended Practice (SORP) FRS 102 (effective 1 January 2019).

Foreword from the Chair of Governors

During the year, the College has continued to build on the prudent restructuring of its operations and the management of finances vital to restore St Chad's common life, intellectual community, student experience and our vision for the future beyond the challenges of the COVID-19 pandemic and its aftermath.

At the beginning of the year, we said farewell to our long-serving Vice-Principal and Postgraduate Director, the Revd Dr Ashley Wilson, who had also previously served as Chaplain. He had kindly agreed to stay in place for a strong hand-over as College Officer responsible for stewardship of our governance and operational due diligence and processes, as well as to be on hand ahead of the complexities of the Michaelmas 2022 admissions. Much of his work behind the scenes has borne fruit in the ensuing year, as we have been able to work through a thorough review of our Statutes and governance and operational policies, procedures and principles. In turn, these have contributed to a high quality of engagement and skilled contributions from the governors, who are drawn from each constituency that composes St Chad's: beside the Principal, the students and postgraduates, the Fellows and Tutors, the sponsoring Anglican dioceses, the University of Durham, the alumni and independent governors drawn from wider society.

A restructured leadership under the direction of Dr Margaret Masson, the Principal, with Alistair Jenkins as Finance and Operations Director, has been strengthened by the arrival of Dr Victoria Brown as Vice-Principal, who has overseen a thoroughly strategic and effective fresh approach to student support, our external presentation and engagement, and to re-establishing our Schools Outreach Programme – so important for our long-term goals of widening participation and realising tangible social inclusion in keeping with our original foundation. The College was founded on the principle – *Non Vestra Sed Vos* (II Corinthians 12.14) - that those who come to St Chad's do not arrive only to be on the receiving end for themselves, but also to contribute who they are and what they can offer. So it has been great to see the student volunteering and community engagement on the part of the College students revive and grow.

The Assistant Principals Jeanna Spencer and Dr Charlie Pemberton, working with the Principal and Vice-Principal across the undergraduate and postgraduate communities, have also been integral to the pastoral care and personal development of members of the student bodies, both those living in St Chad's and those living out, and fostered an atmosphere of trust and respect in our collaborations in making the College work well from day to day, but also in dealing with some of the difficult questions. In this we are also particularly appreciative of the wisdom and pastoral support and spiritual care constantly offered by the Chaplain, the Revd David Rushton.

As Governors we have been concerned to provide to the Officers and their teams not only our support and oversight, but also to offer space for the conversations they need to have on some of the pressing concerns for our life and community, as well as on the strategic issues that face us as an educational charity. It has been of great importance for Governors to understand the College's origins and the earlier background in the late nineteenth century. Our conversations across the St Chad's community, with significant scholars in the University, the Church and wider society on the continually live dimension in our society and economy characterised by race, class, gender and personal inclusion and justice, have been deep. Exhaustive research by the late Mark Roberts, who believed passionately in St Chad's, its legacy from the past and its future as our Development and Alumni Relations Director, was able to establish as far as possible the background to the family of our founder, Douglas Horsfall.

It is clear that his grandfather, who died before Douglas knew him, had owned plantations operated by enslaved people; and that, although all such owners had been bought out by the Government early in the first part of the 19th century in order to end slavery in the British Empire, nonetheless the Horsfall company, like many others, continued to trade in commodities that relied for production on forced and enslaved labour. Our founder Douglas Horsfall had no involvement in the family business and established his own stockbrokerage business, which formed the source of the wealth that he passed on to the city of Liverpool, to the provision of churches for new and poor populations, and to St Chad's in its formative, early years. His philanthropic instincts were to meet the needs of the neglected in

English towns and cities, and to train pastors to them to meet their material and spiritual needs alike, especially encouraging these the confidence and vision to produce the vocations from within these communities themselves.

The searching discussions that took place in the College, involving Governors, staff, students and our wider constituency, to take stock of a complex and challenging set of concerns, including some questions that remain unanswerable, we agreed, deserved a practical response and a shared understanding of what *Non Vestra Sed Vos* can mean for us, as well as how we proceed to offer St Chad's as a university College at Durham that is independent for the express purpose of integrating our story and objectives with the perennial need for equality of access to opportunity and equitable inclusion. In this we have been enormously assisted on two fronts in particular by generous donors.

First, James Tyrrell, an alumnus who sadly died unexpectedly, left us the generous bequest of £2,000,000, which the Governors have invested to provide income for our scholarships, bursaries and financial support to students in need. This has considerably enhanced our capacity to sustain and extend aspiration to come to the University through St Chad's those who would contribute and benefit from being here, yet who might otherwise be unable or unsupported to do so. James was aware from his own experience of the obstacles that attend disadvantage in society, and also the opening up of great potential and achievement if these can be overcome.

Secondly, another alumnus has donated to us a series of paintings made by President Nelson Mandela of Robben Island, where he was held for years during South Africa's struggle to overcome apartheid and build a society founded on justice, inclusion, respect and common endeavour. The College's Moulds Hall for a number of years has been the location for works of art, including the paintings of founders and past principals, but notably the Sokolov paintings reflecting on the famous icon of the Hospitality of Abraham by Rublev, an image of the Holy Trinity drawing in the participation of all humanity into the divine life, which have long surrounded High Table. The paintings of our founders Julia Warde-Aldam and Douglas Horsfall with past principals remain, now hung as a group on the east wall, while the pictures by Mandela are beautifully presented beside the Hospitality of Abraham around High Table. The walls and pillars feature portraits of other significant figures in the more recent life and development of the College. Many of these arrays of pictures benefit from interpretation notices available via QR code. Thus the College, through each of these pictures viewed together, is able to tell its story with openness and integrity, embracing and learning from the people of the past and focusing on our work and ambitions for the future.

We have continued to be aware of the ongoing work in the College that is needed for the support and safeguarding of students with us who may be experiencing vulnerabilities or difficulties in their confidence to study, or in feeling safe and secure, within the university environment. This is work on which the officers take great pains, and there is close attention to working with student leaders on communication and culture in St Chad's, especially where people may be at risk. We have been gratified to see in our student surveys that this trust and confidence in the College remains high, and that there is substantial appreciation for the community that we nurture and the services we provide. We are well aware that we can do better, and these surveys, and the intermediate consultations among the student communities, greatly help us to learn and improve the College's quality of life.

A significant milestone in our life and work has been the establishment of a Governors' Committee led by John Marshall to give sustained attention to Development and Alumni Relations. We continue to miss our late Development Director, Mark Roberts, and all his expertise about people and passion for seeking provision for the future of St Chad's. But a new senior manager to succeed him, in the person of Lindsay Young, has built on his networks, wisdom and relationships to put them on an ever better footing. Quite the most magnificent achievement was the appeal led by the Principal and Lindsay Young for the urgent and comprehensive repair and restoration of the Chapel. With the students' accommodation being the priority for our steady and thorough programme of refurbishing our College buildings, it was a worry that the Chapel, much loved as it is across many generations of the St Chad's community, would be left behind again, as other more pressing needs overtook it. The response to the appeal exceeded all expectations and brought together not only personal donors and alumni, but also highly regarded independent trusts and foundations for the first time, impressed with what are seeking to do as a College, to promote wider social and creative participation, but within the context of our foundational educational and spiritual aims, in a spirit of service and grateful self-offering: *Non vestra sed vos*.

I pay tribute to my fellow Governors who have added so wide a range of skills and perspectives on all sides. We have welcomed as new governors Maddi Aldam-Gates (Junior Common Room President), as well as welcomed back her predecessor for a further year her predecessor, Matt Moran, in a new capacity as Student Governor, in succession to Max Wilkinson. From the Middle Common Room, we welcomed its new President Matthew Lee in succession to James Harrison, who worked hard to sustain and facilitate postgraduate engagement at St Chad's during and since the pandemic. We bade farewell to Colin Ferguson as President of the Senior Common Room, and

welcomed his successor in the Revd Canon Rosalind Brown. We are also fortunate to be joined by Margaret Vaughan and Yvonne Gale, both of whom come with extensive experience in the business, finance and public service spheres.

Sadly, at the end of ten years' each of service as Governors we were very sad to see Jenny Howarth and Liz Rowark leave office, but immensely grateful for their contribution to St Chad's. Jenny Howarth served as our Audit Chair and applied her deep insight and knowledge from local government in County Durham, to put us on a better footing for due diligence and planning ahead than ever before. Similarly, Liz Rowark's considerable experience in business and economic development in the North East not only afforded rare skills, but also valuable links with the wider region. I am particularly grateful for their encouragement and insight when we have needed to look at strategy and development.

The Governors have kept our 2017-2027 College Strategy under review and it has reassured us that, the pandemic notwithstanding, while we have adapted as we made progress, we remain on track. We have constantly turned our focus on the demands of climate change, energy responsibility, and environmental as well as economic sustainability. In our most recent review, we have adapted the current Ten-Year Strategy to bring these imperatives to the fore in a *Green Agenda*, developed in consultation with our stakeholders and partners. One example is our new sustainable investment policy focused on clean energy holdings, and our appointment of managers who will manage our funds in keep with our Investment Policy Statement.

In the year ahead, Governors aim to conduct a revision of our Articles of Association, in order to overcome elements that can no longer be fulfilled, and to accord with new conditions in pursuance of the objects in our Memorandum of Association. We shall also be taking steps to plan ahead for transition among the Governors, by continuing to recruit new members with a view to the wide range of skills that we need to draw on and to manage future succession.

Our relationship with the University remains strong and mutually appreciative, and we sense an obligation to provide an excellent example of all that a constituent College can be at Durham, and to play our part alongside other Colleges and more widely in the University. The financial agreement with the University for the student services that we provide represents a considerable improvement on the previous formula, and has markedly assisted in our present management and our future budget planning, for what we can provide in our distinctively St Chad's way. A good deal relies on the continued fostering of this relationship.

Amid all our concerns as Governors, I wish to note my particular thanks to Paul Chandler, Vice-Chair and Treasurer, for his constant and imaginative support for St Chad's in his stewardship of the Finances, and to Alistair Jenkins as Director of Finance and Operations for expertly managing and leading the finance team, the hospitality, maintenance and catering teams, and for driving ahead the unending need to refurbish and enhance our historic estate. It is heartening to note that this side of the College's operation includes our business activities in hospitality, events and conference services, and that these have recovered more strongly and quickly than we could prudently envisage as we emerged from the pandemic. We realise there may be economic challenges on the costs of energy, labour and supplies ahead; but we are glad that the year has ended with the College in a strong overall position. Governors were thus glad to reaffirm our commitment to our policy of just remuneration and gender-equal pay for the same work, in line with the rates set by the Living Wage Foundation.

Alistair Jenkins and Margaret Masson have truly been 'Mission Critical' to navigating the College through the pandemic and now leading us steadily into calmer waters, through which we can assuredly make progress to our next destinations. I conclude with the thanks of all the Governors to Dr Masson and her colleagues, and all the teams who work with them, for another great year of excellent life and work at St Chad's.

The Revd Fr Mark Woodruff

Chair of Governors

St Chad's College, University of Durham

Structure, Governance and Management

a) Constitution

The Company or College is a charitable company limited by guarantee and established by a Memorandum of Association on 4 May 1910. St Chad's College became a registered charity, of which the Governors are the trustees, registration number 1142958, on 19 July 2014. Prior to that it was an exempt charity. The Members of the Association are the Governors, who constitute the College and form its Governing Body.

St Chad's College (Trading) Limited is a 100% owned subsidiary company which is included in these consolidated accounts. The company registration number of St Chad's College (Trading) Limited is 05844646.

By appointment of the Governors, the Principal, Finance & Operations Director, and Vice-Principal are its current Directors.

b) Method of Election of Governors

The management of the College is the responsibility of the Governors who are elected or appointed under the terms of the Articles of Association.

The Governors who held office during the year and to the date of approval of the financial statements were as stated on page 2.

c) College Governors' liability

The Governors guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

d) Policies adopted for the induction and training of Governors

New Governors are inducted by the Secretary to the Governors and by the Principal of the College and benefit from training available through the University and other providers. They are also given a copy of the College's Memorandum and Articles of Association, its current Statutes, the Memorandum of Association with Durham University, the College's annual review of its life and work *The Chadsian*, the Governors' annual report and the annual audited financial report. They are required to subscribe to the College's charitable aims and objectives, to be conversant with the College's policies and governance processes, especially where these require regulatory compliance and Safeguarding, and to disclose possible conflicts of interest. The Chair of Governors conducts a rolling skills audit to inform the appointment of individual Governors to particular areas of the work of governance, and to recruit new Governors with the experience and skills needed. Governors are invited to participate in the life of the College on a regular basis.

e) Organisational structure and decision making

The day to day running of the College is delegated to the Principal, the Finance & Operations Director, and the Vice-Principal.

f) Risk management

The Governors have assessed the major risks to which the Company or College is exposed, in particular those related to the operations and finances of the Company or College, and they regularly review the systems that are in place to mitigate exposure to major risks.

Risks are categorised into the following broad headings: Focus/Strategic Direction, Infrastructure Support, Human Resources, Conduct of Business, Academic/Research Activities, Student Support, Financial Sustainability, Health & Safety, Estate Maintenance and Commercial Activity. The major risks relate to fluctuations in student residence and the associated levels of income. Ensuring stakeholder satisfaction by delivering value for money, a good quality service and investment in infrastructure is essential.

The Governors have identified the following current Principal Risks to the College.

1) Meeting intake targets

The student intake risks are managed by detailed monitoring of student admissions through close liaison with Durham University, regular conversation among College Officers, and routine reporting, scrutiny and discussion at meetings of the Governors.

2) St Chad's vulnerability as an independent College

The College receives a substantial annual College Fee with Durham University in consideration of the services it supplies as a statutory constituent College. This came into effect in August 2021 under the terms of a new Memorandum of Understanding and Financial Agreement which will be reviewed by both the College and University in 2026. The College currently enjoys a very strong and positive relationship with the University, but given the scale of this fee within the context of the College's overall income, it would be prudent to identify this as a financial risk in the future.

3) Funding of investments in infrastructure

The risk as to investment in infrastructure would be a major problem if the College had buildings which were not fit for purpose. A new Estates Strategy was adopted in 2019, which incorporated the Governors' 2018-2027 10-year strategic framework in relation to building maintenance and renewals, and was also supplemented by work identified within our regular building condition surveys. Regular reporting through an internal committee structure, with a seven-year buildings upgrade plan approved by Governors and commenced in 2019 will continue to provide an achievable programme and enable significant progress. Additionally, the increased exposure to rising energy costs and interest rates across 2022-23 has placed pressure on the College's budgets and schedules for carrying out this work, and it would still be prudent to keep the effects on power, material and labour costs on the estates programmes under close watch.

Objectives

The objectives of the College are:

- To advance education, learning, religion and research in accordance with the principles of the Church of England; and
- to provide a College for persons who shall be members of the University of Durham in which they may work for degrees and other qualifications of the University with particular regard to advancing their education, and their spiritual and personal wellbeing.

Our principal means of meeting those objectives is our provision of academic and pastoral support to undergraduates and postgraduate students reading for degrees in the University of Durham.

St Chad's also provides its own education, study support, and research programmes within the College.

The Governors are obliged to provide the Rector of the College with assurance on the advancement of its objectives as a Church of England foundation. To this end, the Principal offers a regular report to the Rector, and the Chair of Governors consults the Rector as needed. The Governors employ an Anglican priest as Chaplain to celebrate regular worship in the Chapel and, among other duties, to offer spiritual and pastoral care available to all within the College community. The College also provides scholarships and bursaries for students in support of the Chapel's choral services.

By maintaining a multidisciplinary community of learning, the College is fulfilling its charitable objects as a place of religion, education, learning and research within the University of Durham.

Vision, Mission and Values

During the year, the College continued to implement its Vision, Values and Strategic Framework for 2017 to 2027. At the heart of this lie the following definitions.

Our Vision: To be a hospitable, supportive, challenging community of learning which inspires and educates our members to contribute with imagination and integrity towards a sustainable present and future for our world.

Our Mission: Working together as a warm, reflective community which sustains an outstanding collegiate experience, we promote academic excellence and whole person development. In a context of unprecedented global challenges, we aim to encourage intellectual curiosity and thoughtful hope as we explore how to live more sustainably and equip our members to make a positive social impact.

Our Values: As an independent college within Durham University, we are defined by our founding commitment to justice, inclusion and service, shaped and inspired by our Anglican roots and our home in the North East region. We seek to live with integrity as a community which includes people of all faiths, beliefs and backgrounds.

The Governors took the opportunity to review the Strategic Framework in the light of the College's lived and operational experience in September 2023. This confirmed the long-term vision remains on course, with further refinement to take account of concerns to ensure diversity and inclusion, as well as to bring environmental and energy sustainability to the fore.

Statement of Public Benefit

In shaping the College's objectives for the year and planning its activities, the Governors have considered the Charity Commission's regulatory guidance on public benefit. They are satisfied that the activities as described in these reports and accounts in pursuit of the College's objectives meet the public benefit requirements of a registered charity.

Report on Activities

a) Community of learning

The College provides a learning community and infrastructure support for about 520 undergraduate and 155 postgraduate students. This community benefits students intellectually and personally, develops their leadership and interpersonal skills, and thereby prepares them to play full and effective roles the service and advancement of society. In particular, the College provides:

- opportunities (including bursaries and scholarships) for extracurricular learning in a college context including multi-disciplinary lectures, discussions, conversations and seminars, thereby enabling students to develop intellectually beyond the scope of their academic degrees;
- a residential community for approximately 255 students, with social, culture, musical, recreational and sporting facilities and opportunities that enable St Chad's students to realise their personal and academic potential as much as possible while studying at the College;
- libraries, primarily for the use of its students, but also available, on request, to members of the wider community;
- good quality accommodation, and convivial catering and dining at reasonable rates.

The College also advances learning through its specialist Policy and Practice Research Group, led by Professor Tony Chapman.

The College's major charitable activity is furthering the education of these students who are enrolled within the University of Durham. This is carried out by providing a residential experience within a highly engaged learning community, integral to which is academic and personal support from College Officers, our College Tutors and mentors, and the skills and experiences offered through a varied programme of extra-curricular activities.

We endeavour to provide academic and pastoral support to all students, not only to enable them to do well in their departmental-based studies, but also to stretch their academic and social potential by exposing them to issues and challenges beyond the curriculum.

In addition to providing student accommodation, the College becomes a conference, hospitality and wedding venue during vacation periods. The financial benefits from this trading activity are utilised to support the College's main activities in pursuit of our objectives. Ensuring stakeholder satisfaction by delivering value for money, a good quality service and investment in infrastructure is essential.

b) Beneficiaries

The undergraduate and postgraduate members of the College are the primary beneficiaries of the College.

Beneficiaries also include:

- members of our Senior Common Room – which brings together academics, members of the University staff and leading figures in the community in the North East;
- alumni of the College;
- students and staff from other colleges in Durham;
- visiting academics from other higher education institutions;

Our beneficiaries have an opportunity to attend educational events at the College or use its academic facilities and join us for meals.

Furthermore, other beneficiaries demonstrate the College's provision of wider public benefit:

- Schools with whom we partner in our Schools Widening Participation Outreach Programme, who attend College Visit Days;
- Local and national charities with whom our students volunteer and for whom they raise funds;
- members of the public who are often invited to attend events in College, including services in the Chapel, concerts and arts activities, public lectures, community outreach and charity fundraising events.

Student Scholarships and Bursaries

In order to support students from less financially resourced backgrounds, the College offers a range of scholarships and bursaries to undergraduate and postgraduate students.

Achievements during the Year

The College's achievements during the year are largely measured in terms of student matters – admissions, results, and events that support the breadth and depth of the education and wider student experience offered by the College community.

Admissions

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University, regardless of their financial, social, religious or ethnic background.

Our admissions intake this year has returned to our pre-pandemic quota of 140 undergraduates and 150 postgraduate students.

Academic results have been difficult to ascertain this year during to a Marking and Assessment Boycott

| Undergraduate Results | Summer 23 | Summer 22 |
|-----------------------|-------------------------|-------------------------|
| Class 1 | 56 | 55 |
| Class 2:1 | 99 | 62 |
| Class 2:2 | 6 | 9 |
| Class 3 | 1 | 1 |
| | | |
| Postgraduate Results | Year of completion 2023 | Year of completion 2022 |
| Doctorates (PhD) | 10 | 4 |
| Masters | 15* | 85 |

*Many results are still pending in the wake of the Marking Assessment Boycott.

Community Life and Student Satisfaction

The results of our annual student experience survey suggests that there is high satisfaction generally with the quality of the student experience at St Chad's College. We saw high rates of engagement with our wider student experience offering. 93.7% are satisfied with the College's encouragement to be intellectually curious, and rates of engagement in music, sport, volunteering remain very high. 92.9% respondents reported that they felt a sense of belonging to and responsibility within the community and 93.2% said that given the choice, they would choose St Chad's College again.

Culture and Values

The College has continued to focus on encouraging all members to live according to our college values, in particular those around equality, diversity, inclusion and environmental and energy sustainability. We have done this via communications across our platforms, and via induction and ongoing leadership training. Feedback from the student experience survey suggests a strong sense of trust in our commitment to our core college values - justice – 90%; diversity 84.8%; respect for personal beliefs – 95.3%; environment – 82.6%.

Our sense of community is stronger than ever, and across the College, there is an increasingly shared commitment to our sense of our purpose, values and goals.

Fundraising

The College continues to raise funds for a variety of purposes, including the greater provision of scholarships to be paid to students who may otherwise have struggled to afford funding of their university degree. The generous legacy from Jim Tyrrell has increased our capacity to support our students financially, which is greatly appreciated amidst the cost of living crisis. Our campaign to raise funds to support the refurbishment of our Chapel was successful to the extent that the full cost was covered by donations. We are deeply grateful to all who supported this project.

Environmental and Social Governance

The College has identified increased awareness and action on its environmental impact as a key to managing its work across the board in the coming years. The College continues to consider environmental impact as part of its refurbishment programme. In line with the UN Sustainable Development Goals, the Governors' sustained focus on this area of concern over many years will lead to a new Green Manifesto, formulated in consultation with the wider St Chad's community, to stand at the forefront of all College operations.

The College is also conscious of its role as a fair and generous employer and Governors take close account of the Real Living Wage Foundation's suggested rates of pay, in order to ensure that staff within the College are appropriately and adequately rewarded.

Financial Review

The financial review refers to the consolidated group activities of St Chad's College Limited (parent) and St Chad's College (Trading) Limited (the subsidiary). The subsidiary is fully owned and controlled by the College.

a) Summary

Net Income in the year was £671,485 (2022: £2,525,288). The prior year net income includes a substantial legacy of £2,000,000.

Net income, excluding the prior year legacy, was 27.8% higher than the previous year at £671,485 (2022: £525,288). Student residence in 2023 has remained close to full capacity and the College has also benefited from a significant uplift in the level of funding from the College Fee received from Durham University. Commercial business has continued to grow, particularly in the delivery of weddings. Additional income of £62,889 was received in the year from Durham University to cover the costs of replacing the broadband network within the College and the associated costs are included within this year's expenditure.

Total expenditure was 14.9% higher than the prior year at £2,826,356 (2022: £2,460,645). Expenditure on Educational Activities which was 13.2% higher than the prior year at £2,530,005 (2022: £2,234,269). Additional one-off costs of £62,889 for replacing the broadband network were expensed in the year. This work was funded by Durham University and a corresponding amount has been included within income. Student costs were significantly

higher than prior year at £398,828 (2022: £354,572) and this was mainly due to food cost inflation. Wage costs within Educational Activities were £1,262,420 (£1,112,520) representing at 13.5% increase in the year. Commercial trading operating expenses were higher at £285,583 (2022: £214,405) due to both business growth but also inflationary pressures on expenditure.

Following a full independent valuation of freehold land and buildings on the 21st September 2023, the property portfolio was valued at £9,275,000, representing a devaluation of £2,561,456 in the balance sheet value of these assets. Part of the revaluation movement, amounting to £2,298,146 has been charged against the existing revaluation reserve and the balance of £263,310 has been charged to unrealised losses on the revaluation of fixed assets, which appears above net income before transfers in the statement of financial activities.

b) Balance sheet

The balance sheet has seen a significant devaluation of freehold land and property in the year of £2,561,456 following the independent full valuation carried out in September 2023 by Avison Young. The last full valuation was carried out in September 2018. Capital investment has continued during the year to maintain the value of the asset portfolio. Whilst the revaluation movement is substantial, it is not perhaps unexpected given the current economic climate and higher interest rates which make investment in income generating property less attractive.

The vast majority of trade debtor balances have been collected in advance of the financial year end leaving a group balance of £25,389 (2022: £17,576). The prompt settlement of the student residence accounts during the Easter term has maintained the low trade debtor balance, combined with the advanced billing and settlement of the summer conferences and wedding invoices.

Accrued income at the year end was £49,788 (2022: £2,149,483). The current year balance relates to expected donations in the form of gift aid claims or individual donations pledged but not received at the year end (2022: £45,809). Included within the prior year accrued income balance is £2,000,000 relating to a legacy receivable at the year end and a further £102,268 relating to balances owed to St Chad's College by Durham University in respect of College Fee income and employee bonuses.

Trade creditor balances are reconciled monthly to external supplier statements. Payments are made to suppliers in line with payment terms and after ensuring the appropriate authorisations have been obtained. The year end trade creditor balances were £153,097 (2022: £471,595). The prior year balance includes £406,324 relating to the fixed asset additions in respect of the boiler replacement project which was nearing completion at the year end.

Accruals and deferred income at the year end were £624,236 (£99,464). Included within current year accruals is a balance of £396,778 relating to fixed asset additions in respect of Langford House, The Chapel and 30 Hallgarth Street.

Bank loan repayments in the year amount to £29,951 (2022: £29,951) bringing the year end loan balance to £152,254 (2022: £182,205).

The cash balance has increased by £1,821,161 in the year to £2,822,368, compared with £1,001,207 in the previous year. During the financial year College received the £2,000,000 legacy which was included within accrued income in the prior year. Investment in the College buildings has continued during the financial year with fixed asset additions of £1,239,192 (2022: £552,937). The majority of the capital works during the year relate to the refurbishment of Langford House (£758,470), The Chapel Refurbishment (£223,108) and a refurbishment of 30 Hallgarth Street (£44,120). £111,829 was spent in the current year the completion of the boiler project for Main College, Langford House and Lightfoot House (2022: £503,984).

The balance held as short-term investments at the year end was £1,025,777 (2022: £994,814). Restricted cash funds of £66,575 (2022: £68,915) were invested in the COIF Charities Ethical Investment Fund in the year. Unrealised gains on revaluation of investments for the year were £14,388 (2022: (£68,917) unrealised losses). As at the year end, £808,151 was held in the COIF Charities Ethical Investment Fund as restricted funds, £175,593 was held in the COIF Charities Ethical Investment Fund as unrestricted funds (transferred from designated funds in the year) and a restricted balance of £42,033 was held within the Elizabeth Griffiths Bursary Trust.

Overall net assets decreased to £14,422,074 (2022: £16,312,045). The movement on the revaluation of fixed assets was (2,561,456), which is a reduction in the balance sheet value of the freehold property in the year following an independent valuation at 21st September 2023.

c) Income

Total income decreased by 31.1% to £3,483,453 compared with £5,054,850 in the previous year.

The College recognised a substantial legacy of £2,000,000 in the prior year.

Total Income, when excluding the legacy from the prior year comparative, increased by 14.0% and amounted to £3,483,453 (2022: £3,054,850).

Our core income generating activity of residential accommodation showed an increase of 3.2% on the previous year. The last two years have shown a high demand for residential accommodation within the College and very few empty bedspaces. The increase in residential income year on year is largely due to the price increases in room rates which broadly follow the student residential occupancy rates charged by Durham University.

The College Fee, received from Durham University, was £523,193 in the year (2022: £481,665). The College Fee rate is adjusted each year by Durham University and this rate change is implemented from the 1st of August each year, in line with the new financial year for Durham University. The fee in place from the 1st of August 2022 was £510,108 and this was increase to £517,370 from 1st August 2023. An additional amount of £11,875 (2022: £11,500) was also received in the year linked to increased student numbers. This Fee reflects a new approach and methodology that provides a clear and transparent way of recognising the costs of independent colleges within the University structure. It primarily focuses on the costs of providing wider student experience.

Durham University also provided funding of £62,899, disclosed within other income in note 4, for the replacement of the broadband network within the College. The associated expenditure incurred by the College is included within premises costs.

Income from educational conferences was £42,001 (2022: £15,235). In addition to the graduation ceremonies held for various academic departments, St Chad's College has also hosted some educational conferences in the year for Durham University, namely the Centre for Catholic Studies.

This year St Chad's College (Trading) Limited made a net profit of £56,903 (2022: £96,120). Sales turnover generated over the Easter and Summer vacation was £342,486 (2022: £310,525). The College hosted 24 weddings during the financial year ended September 2023 compared with 17 in 2022. Income from weddings in 2023 was £112,523 (2021: £61,730). Bar income, predominantly linked with the wedding celebrations increased to £41,784 (2022: £18,799). Group residential bookings were lower however in 2023 at £35,458 (2022: £83,849). The investment income from St Chad's College (Trading) Limited as a donation to St Chad's College was £96,120 compared with £16,633 in 2022.

Investment income has increased significantly in the year to £74,597 (2022: £27,281) due to improved interest rates for short term deposits and also the receipt of the legacy funds which earned interest in the year. Bank interest receivable in the year was £36,098 (2022: nil) and investment income from short term investments was £38,499 (2022: £27,281).

Income from donations and legacies in the year was £294,354 (2022: £2,157,418). A substantial legacy of £2,000,000 was recognised in the prior year. In 2022 the College launched the Mark Roberts Memorial Chapel Appeal and during the year this raised additional funds of £140,803 (2022: £37,912) for the Chapel Fund. The ongoing campaign for other College buildings continued to receive donations in the year and these amounted to £20,535 (2022: £22,981). Donations for scholarships amounted to £63,542 in the year (2022: £84,364). A set of Mandela Lithographs gifted to the College in May 2023 have been valued for insurance purposes at £54,000 and this value has been included within the current year donations income.

Income from research activity was £68,963 in the current year (2022: £50,489). The research income relates to the work of the Policy and Practice Research Group, led by Prof. Tony Chapman. The College recognises the value of the work being undertaken by our researchers and is keen to maintain the strong relationship it enjoys with its Research Fellows. The College sees this as an integral part of delivering its social values and developing its relationship with key partners across the region.

d) Expenditure

The group expended total resources of £2,826,356 in 2022/23, compared to £2,460,645 in the previous year. This represents an increase of 14.9%.

The areas of expenditure where significant differences can be seen are as follows:

Staff costs were 15.6% higher than the prior year at £1,415,759 (2022: £1,224,860). Additional permanent staff accounted for 6% of the increase with the addition to the staff team of a Head of Development & Alumni Relations and an additional Porter. The annual employer pensions costs increased by £25,788 as the contribution rate for the

Durham University Pension Scheme moved from 15.6% to 24% in August 2022. The wage increases in Jan 2023 for our staff employed at the current real living wage was 10.1% and the average wage increase for remainder of staff was 4.7% from August 2022. Pay progression adjustments amounting to £27,888 were also made in August 2022 following a full review of staff roles & responsibilities.

Within student costs the main variance relates to the large increase in food costs compared with the prior year. This has been driven by significant price inflation in this area. Food costs were 14.6% higher than the prior year at £297,462 (2022: £259,632).

The College has renegotiated its service level agreement with Durham University for Computing & Information Services, with a new agreement coming into effect from the 1st August 2023 at a new annual cost of £38,600 (2023: £23,945) This follows a comprehensive review of the equipment and services required by St Chad's College to ensure the correct provision is in place in this critical area of support.

The College had a fixed price energy contract in place until the end of September 2023. Energy costs have been lower than the prior year at £121,924 (2022: £140,690) as the consumption has been lower due to the mild weather and more efficient boilers now installed. A new 2-year fixed price contract has been negotiated from October 2023 and costs are expected to double in 2024 based on the new rates agreed.

Repairs and maintenance costs in the year were £201,237 (2022: £130,788). The increase compared with 2022 related to the work done to replace the broadband network within the College at £62,899.

Within premises costs this year is a credit amounting to £54,574 (2022: nil) relating to group VAT recoverable on costs historically charged to the profit and loss account. St Chad's College was required to register retrospectively for VAT from the 1st January 2012 as its taxable turnover exceeded the VAT threshold, largely due to the management recharge between St Chad's College and St Chad's College (Trading) being taxable for VAT. A long VAT return has been submitted for the period 1st January 2012 to 30th September 2023.

Depreciation costs charged in the year were £232,586 (2022: £222,056).

Commercial trading operations incurred costs this year of £285,583 (2022: £214,405) representing a 33.2% increase in costs. The management recharge from St Chad's College to St Chad's College (Trading) Limited forms the bulk of the expenditure and in 2023 this was £233,088 (2022: £171,046).

Support costs incurred in the year were £128,677 (2022: £75,773). Additional costs were incurred this year in respect of the land & buildings revaluation and additional VAT consultancy fees.

The College continues to work hard to ensure the delivery of an excellent residential and pastoral experience that exceeds the expectations of our students and commercial customers.

e) **Reserves Policy**

Our total reserves at the end of 2022/23 were £14,422,074 (2021/22: £16,312,045). As at 30 September 2023 fixed assets were £11,390,949 (2022: £12,945,799), restricted reserves were £939,177 (2022: £1,012,304), and non-fixed assets designated reserves were £2,082,436 (2022: £2,219,647) leaving free reserves of £9,512 (2022: £134,295).

The College continues to fund its capital refurbishment project from available free reserves. Planned capital expenditure on our buildings over the next 5-10 years is expected to be in the region of £4.8 million. This will be funded from available free reserves, annual business surpluses and additional bank borrowing if required.

St Chad's is fortunate to have significant net assets on its balance sheet of £14,422,074, but most of these are invested in buildings that are used for our primary purposes. In the unlikely event of the need to close the College, these properties could, depending on market conditions, either be sold or used as collateral for borrowing facilities to fund an orderly wind-up. We will always wish our net assets to be greater than the likely costs of winding up, which we would currently estimate as £248,000.

The Governors also wish to ensure the College has sufficient liquid reserves and access to finance, in order to cope with a sudden cessation of our main income flows (primarily student residency income and commercial income), providing sufficient time to arrange borrowing, or to sell assets to ensure its operations can continue. The College will therefore seek to have in place at any time sufficient liquid assets (i.e., unrestricted cash and unrestricted investments) and unutilised borrowing facilities (i.e., agreed overdrafts or undrawn loans) to cover three to four months (approximately one academic term) of normal expenditure.

At the current time, this would indicate the target range to be available of £707,000 to £942,000, held as unrestricted liquid assets and available borrowing facilities. At the year end, the level of unrestricted cash balances held was £696,785 (2022: £722,753) and the unutilised borrowing facilities available were £1,000,000 (2022: £500,000) in the form of an overdraft facility. The total liquid assets and unutilised borrowing at the year end was therefore £1,696,785 (2022: £1,222,753), which is in excess of the target range.

The overall free reserves (unrestricted net current assets less unrestricted long- term liabilities) at the year end were £9,512 (2022: £134,295). The unrestricted net current assets at the year end were £131,815 (2022: £286,549). The unrestricted long- term liabilities (in the form of a bank loan) at the year end were (£122,303) (2022: (£152,254)).

Governors review reserve levels, business forecasts and cash-flow projections on a quarterly basis. The reserves policy will be subject to a governor review annually, with the next review date being June 2024.

f) Principal funding

The principal sources of funding for the year to 30 September 2023 were student maintenance fees and the College Fee received from Durham University, as well as income generated through commercial trading activities, alumni donations and gifts and related research activity.

g) Investment policy and performance

The Governors have power to invest monies as they see fit. The investments are held in the form of fixed interest bonds, common investment funds and unit trusts. The performance of the £1,025,777 invested in this manner is considered adequate. An Investment sub-committee was created in the year to consider the management of the substantial legacy received. Working with the support of an external Investment Advisor, the sub-committee was tasked with ensuring the best fit for investment of these funds, in line with the revised Investment Policy Statement which was agreed by Governors during the year.

Market value of land and buildings

The Governors consider that the market value of the land and buildings is equivalent to the figure disclosed in the accounts. A formal valuation of the land and buildings was carried out to 21 September 2023 and the accounts have been updated in line with the up-to-date valuation.

Disclosure of information to auditor

The Governors who held office at the date of the approval of this Report confirm that, so far as each is aware, there is no relevant audit information of which the College's auditor is unaware; and each Governor has taken all the steps that he or she ought to have taken as a Governor to make himself or herself aware of any relevant audit information and to establish that the College's auditor is aware of that information.

Auditor

Haines Watts North East LLP have indicated their willingness to continue in office as auditors, and a resolution concerning their appointment will be put forward at a Governors' meeting.

By order of the College Governors.



The Revd Fr Mark Woodruff
Chair of Governors

18 North Bailey
Durham
DH1 3RH

7th December 2023

Statement of the Governors' responsibilities in respect of the Governors' Annual Report and Financial Statements

The governors (who are also directors of St Chad's College for the purposes of company law) are responsible for preparing the Governors' Annual 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 affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments 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; and
- 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

Independent Auditor's Report to the Members of St Chad's College

Opinion

We have audited the financial statements of St Chad's College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows, the Statement of Cash Flows from Operating Activities and notes to the financial statements, including 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 group's and parent charitable company's affairs as at 30 September 2023, and of the group's 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. The Governors 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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:

- the information given in the Report of the Governors, which includes the directors' 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 directors' report included within the Report of the Governors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the parent 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 Governors 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 Governors are responsible for assessing the group and parent 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 Governors either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to both the group and the industry in which it operates. We identified areas of laws and regulations which could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussions with the governors and key management personnel. The most significant were identified as the Charities Act 2011, the Companies Act 2006, UK GAAP (FRS 102) and relevant tax legislation. We considered the extent of compliance with these laws and regulations as part of our procedures on the related financial statements.

Our audit procedures in relation to irregularities including fraud and instances of non-compliance with laws and regulations were as follows:

- making inquiries of the Governors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Reviewing minutes of those charged with governance;
- Assessing the risk of management override of controls, including identifying and testing high risk journal entries;
- Obtaining confirmation direct from the banks and investment managers as to the balance at 30 September 2023; and
- Challenging the assumptions and judgements made by management in their significant accounting estimates, principally the property valuation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of non-compliance. The risk is also greater regarding irregularities due to fraud rather than error, as a fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. 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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Henderson (Senior Statutory Auditor)
For and on Behalf of Haines Watts North East Audit LLP
17 Queens Lane
Newcastle upon Tyne
NE1 3RN
12 December 2023

Consolidated statement of financial activities (incorporating income and expenditure account)

for the year ended 30 September 2023

| | <i>Notes</i> | Unrestricted General funds £ | Unrestricted Designated funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|--|--------------|---------------------------------------|--|--------------------------|--------------------|--------------------|
| Income | | | | | | |
| Donations and legacies | 2 | 57,351 | - | 237,003 | 294,354 | 2,157,418 |
| Investment income | 3 | 8,748 | 34,096 | 31,753 | 74,597 | 27,281 |
| <i>Income from charitable activities</i> | | | | | | |
| Income from educational activities | 4 | 2,703,053 | 29,213 | 39,750 | 2,772,016 | 2,559,626 |
| <i>Income from other trading activities</i> | | | | | | |
| Commercial business income | 5 | 342,486 | - | - | 342,486 | 310,525 |
| Total income | | 3,111,638 | 63,309 | 308,506 | 3,483,453 | 5,054,850 |
| Expenditure | | | | | | |
| Fundraising expenses and other costs | 6 | (10,768) | - | - | (10,768) | (11,972) |
| Commercial trading operations | 7 | (285,583) | - | - | (285,583) | (214,404) |
| <i>Expenditure on charitable activities</i> | | | | | | |
| Expenditure on educational activities | 8 | (2,425,435) | (16,084) | (88,486) | (2,530,005) | (2,234,269) |
| Total expenditure | | (2,721,786) | (16,084) | (88,486) | (2,826,356) | (2,460,645) |
| Unrealised gains/(losses) on investments | | | | | | |
| | 19 | - | 2,295 | 12,093 | 14,388 | (68,917) |
| Unrealised (losses)/gains on revaluation of fixed assets | | | | | | |
| | 26 | (263,310) | - | - | (263,310) | - |
| Net income before transfers | 10 | 126,542 | 49,520 | 232,113 | 408,175 | 2,525,288 |
| Gross transfers between funds | 26 | 491,971 | (186,731) | (305,240) | - | - |
| Net income before other recognised gains and losses | | 618,513 | (137,211) | (73,127) | 408,175 | 2,525,288 |
| Movements on revaluation of fixed assets | 26 | - | (2,298,146) | - | (2,298,146) | - |
| Net movement in funds for the year | | 618,513 | (2,435,357) | (73,127) | (1,889,971) | 2,525,288 |
| Fund balances brought forward | | 6,265,219 | 9,034,522 | 1,012,304 | 16,312,045 | 13,786,757 |
| Fund balances carried forward | 27 | 6,883,732 | 6,599,165 | 939,177 | 14,422,074 | 16,312,045 |

All of the above results are derived from continuing activities. The group has no other recognised gains and losses other than those stated above.

The notes on pages 24 to 42 form part of these financial statements.

Consolidated Balance sheet
at 30 September 2023

| | <i>Note</i> | 2023 | | 2022 | |
|--|-------------|-------------------|-------------------|------------------|-------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 15 | 11,390,949 | | 12,945,799 | |
| | | <hr/> | | <hr/> | |
| | | | 11,390,949 | | 12,945,799 |
| Current assets | | | | | |
| Stock | 17 | 6,653 | | 7,874 | |
| Debtors | 18 | 132,812 | | 2,202,690 | |
| Cash at bank and in hand | | 2,822,368 | | 1,001,207 | |
| Short-term investments | 19 | 1,025,777 | | 944,814 | |
| | | <hr/> | | <hr/> | |
| Creditors: amounts falling due within one year | 20 | 3,987,610 | | 4,156,585 | |
| | | (834,182) | | (638,085) | |
| | | <hr/> | | <hr/> | |
| Net current assets | | | 3,153,428 | | 3,518,500 |
| | | | <hr/> | | <hr/> |
| Total assets less current liabilities | | | 14,544,377 | | 16,464,299 |
| Creditors: amounts falling due after more than one year | 21 | | (122,303) | | (152,254) |
| | | | <hr/> | | <hr/> |
| Net assets | | | 14,422,074 | | 16,312,045 |
| | | | <hr/> <hr/> | | <hr/> <hr/> |
| Group funds | | | | | |
| Restricted funds | 26 | | 939,177 | | 1,012,304 |
| Designated funds | 26 | | 6,599,165 | | 9,034,522 |
| Unrestricted funds | 26 | | 6,883,732 | | 6,265,219 |
| | | | <hr/> | | <hr/> |
| | | | 14,422,074 | | 16,312,045 |
| | | | <hr/> <hr/> | | <hr/> <hr/> |

These financial statements were approved by the Governors on 7th December 2023 and signed on their behalf by:



The Revd Fr Mark Woodruff
Chair of Governors

Registered number: 00109442

Charity Balance sheet
at 30 September 2023

| | <i>Note</i> | 2023 | | 2022 | |
|--|-------------|--------------------------------------|-------------------|------------------------|-------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | <i>15</i> | 11,379,224 | | 12,931,974 | |
| Fixed asset investments | <i>16</i> | 1 | | 1 | |
| | | <hr/> | | <hr/> | |
| | | | 11,379,225 | | 12,931,975 |
| Current assets | | | | | |
| Stock | <i>17</i> | 6,653 | | 7,874 | |
| Debtors | <i>18</i> | 553,492 | | 2,357,165 | |
| Cash at bank and in hand | | 2,483,972 | | 709,685 | |
| Short-term investments | <i>19</i> | 1,025,777 | | 944,814 | |
| | | <hr/> | | <hr/> | |
| Creditors: amounts falling due within one year | <i>20</i> | 4,069,894 (961,645) | | 4,019,538 (583,334) | |
| | | <hr/> | | <hr/> | |
| Net current assets | | | 3,108,249 | | 3,436,204 |
| | | | <hr/> | | <hr/> |
| Total assets less current liabilities | | | 14,487,474 | | 16,368,179 |
| Creditors: amounts falling due after more than one year | <i>21</i> | | (122,303) | | (152,254) |
| | | | <hr/> | | <hr/> |
| Net assets | | | 14,365,171 | | 16,215,925 |
| | | | <hr/> <hr/> | | <hr/> <hr/> |
| Group funds | | | | | |
| Restricted funds | <i>26</i> | 939,177 | | 1,012,304 | |
| Designated funds | <i>26</i> | 6,599,165 | | 9,034,522 | |
| Unrestricted funds | <i>26</i> | 6,826,829 | | 6,169,099 | |
| | | | <hr/> | | <hr/> |
| | | | 14,365,171 | | 16,215,925 |
| | | | <hr/> <hr/> | | <hr/> <hr/> |

A separate Statement of Financial Activities for the Charity as an individual entity is not presented because the Charity has taken advantage of the exemption offered by Section 408 of the Charities Act 2006.

These financial statements were approved by the Governors on 7th December 2023 and signed on their behalf by:



The Revd Fr Mark Woodruff
Chair of Governor

Registered number: 00109442

The notes on pages 24 to 42 form part of these financial statements.

Consolidated statement of cash flows for the year ended 30 September 2023

| | 2023 | | 2022 |
|--|--------------------|---|------------------|
| | £ | £ | £ |
| Cash flows from operating activities | 3,156,879 | | 1,056,308 |
| Cash flows from investing activities | | | |
| Acquisition of tangible fixed assets | (1,239,192) | | (552,937) |
| Acquisition of short-term investments | (66,575) | | (68,915) |
| Proceeds from disposal of fixed assets | - | | - |
| Proceeds from disposal of short-term investments | - | | - |
| | <hr/> | | <hr/> |
| Net cash outflow from investing activities | (1,305,767) | | (621,852) |
| Financing activities | | | |
| Repayment of borrowings | (29,951) | | (29,951) |
| | <hr/> | | <hr/> |
| Decrease in cash and cash equivalents in the year | 1,821,161 | | 404,505 |
| Cash and cash equivalents at the beginning of the year | 1,001,207 | | 596,702 |
| | <hr/> | | <hr/> |
| Cash and cash equivalents at the end of the year | 2,822,368 | | 1,001,207 |
| | <hr/> <hr/> | | <hr/> <hr/> |

Cash flows from operating activities

| | 2023 | | 2022 |
|--|------------------|--|------------------|
| | £ | | £ |
| Net income | 671,485 | | 2,525,288 |
| (Losses)/Gains on investments | (14,388) | | 68,917 |
| Depreciation | 232,586 | | 222,056 |
| Decrease in stock | 1,221 | | 496 |
| (Increase)/Decrease in debtors | 2,069,878 | | (2,128,878) |
| Increase in non-bank loan creditors | 196,097 | | 368,429 |
| | <hr/> | | <hr/> |
| Net cash flow from operating activities | 3,156,879 | | 1,056,308 |
| | <hr/> <hr/> | | <hr/> <hr/> |

Analysis of Changes in Net Debt

| | 1 st October 2022 | Cash flow | Other non- cash changes | 30 th September 2023 |
|--------------------------------------|---------------------------------|------------------|----------------------------|------------------------------------|
| Cash at bank and in hand | 1,001,207 | 1,821,161 | - | 2,822,368 |
| Bank loans due in less than one year | (29,951) | 29,951 | (29,951) | (29,951) |
| Bank loans due in more than one year | (152,254) | - | 29,951 | (122,303) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total net debt | 819,002 | 1,851,112 | - | 2,670,114 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 24 to 42 form part of these financial statements.

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)), and the Companies Act 2006.

FRS 102 requires that, if appropriate, the group's financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the group's ability to continue as a going concern. The Governors review and approve a detailed 5-year budget for the Group in advance of each new financial year. There is a significant focus on future cashflows and liquidity as part of the budget review. The quarterly management accounts are closely monitored, and these include detailed cashflows and forecast projections for the current year and 2 further years. As a consequence, the Governors believe the group is well placed to manage its business risks successfully and therefore have adopted the going concern basis of accounting in preparing the financial statements.

Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary undertaking, St Chad's College (Trading) Limited, on a line-by-line basis. All financial statements are made up to 30 September 2022, and consistent accounting policies are used.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Reduced disclosure options

In accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures (in relation to the Charity's own statement of cash flows – a consolidated statement of cash flows is presented in these financial statements)

Company status

The Group is a company limited by guarantee. The Members of the Group are the Governors named on page 2. In the event of the Group being wound up, the liability in respect of the guarantee is limited to £1 per member of the Group.

Fund accounting

Designated funds comprise general funds which have been set aside at the discretion of the Group Governing Body for specific purposes. The purpose and use of the designated funds are set out in note 24.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds are set out in note 24.

All income and expenditure is shown in the Statement of Financial Activities.

Notes (continued)

1 Accounting policies (continued)

Income

All income is recognised when the Group becomes entitled to the funds, likelihood of receipt is probable, and the amount is measurable:

- Fees income comprises Group fees, maintenance and student rents.
- Vacation business income comprises, bed and breakfast lettings and conferences during vacations.
- Other income comprises gains on disposal of fixed assets, sales of alumni merchandise and various publications and other miscellaneous income.
- Donations and legacies comprise gifts and donations given by supporters, the general public and business.

Income arising from legacies is recognised in the financial statements when the group is notified of these entitlements, it is probable probate will be received and the amount receivable can be defined with reasonable accuracy.

Expenditure

All expenditure is recognised on the accruals basis. Charitable expenditure comprises expenditure relating to the direct furtherance of the charitable objectives. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources. Central overheads are allocated on the basis of their use with the aim of ensuring that those costs remaining within administration relate to the management of the Group's assets, administration and compliance with constitutional and statutory requirements.

Irrecoverable VAT is included as an expense where appropriate.

Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These are included within expenditure on charitable activities.

Foreign currency

Transactions in foreign currencies are translated to the Company or Group's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the Statement of Financial Activities.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable and finance leases recognised in the Statement of Financial Activities using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the Statement of Financial Activities (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in Statement of Financial Activities as they accrue, using the effective interest method. Dividend income is recognised in the Statement of Financial Activities on the date the Company or Group's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Notes (continued)

1 Accounting policies (continued)

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charitable company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Other financial instruments

Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in Statement of Financial Activities except investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation (freehold land and buildings) including any incidental expenses of acquisition. Additions, which are capitalised when greater than a *de minimis* level of £5,000 for any individual item or £500 for any computer equipment items, and disposals are included when all contractual obligations have been met. Cost includes directly attributable finance costs.

Freehold land held as an investment is not depreciated. Freehold property is not depreciated on the basis that at the end of its useful economic life the residual value of the freehold property will be equal to or exceed the carry value.

Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, over their estimated useful economic lives as follows:

| | | |
|------------------------------|---|------------------------------|
| Long term leasehold property | - | over the period of the lease |
| Fixtures and fittings | - | 5-20 years |
| Computer equipment | - | 3 years |

The Trustees consider the need for impairment of fixed assets on an annual basis. No depreciation is provided on freehold buildings as estimated residual value exceeds net book value.

Revaluation

Gains on revaluation are recognised on the face of the Statement of Financial Activities before arriving at net movement in funds and accumulated in revaluation reserve.

Losses arising on revaluation are recognised on the face of the Statement of Financial Activities before arriving at net movement in funds to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in expenditure.

Notes (continued)

1 Accounting policies (continued)

Impairment excluding stocks, investment properties and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through the Statement of Financial Activities is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the charitable company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the Statement of Financial Activities. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Financial Activities.

Provisions

A provision is recognised in the balance sheet when the charitable company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the charitable company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company or Group treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company or Group will be required to make a payment under the guarantee.

Stocks

Stocks are stated at the lower of cost and net realisable value. Stock includes catering provisions and bar provisions.

Pension costs

The Group operates various pension schemes. The assets of these funds are held separately from those of the Group in independently administered funds.

The main schemes in which the charity participates are the Universities Superannuation Scheme (USS) and Durham University Pension Scheme (DUPS).

The Universities Superannuation Scheme (USS) and the Durham University Pension Scheme (DUPS) are both defined benefit schemes. The Group is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by FRS 102, accounts for the schemes as if they were defined contribution schemes.

For defined contribution schemes, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year.

Investments

Investments are stated at market value. Unrealised and realised gains or losses are reported in accordance with the SORP. Investment income is recognised on a receivable basis.

Accounting estimates and judgements

In the application of the Group's accounting policies, the directors/trustees are required to make judgements, estimates and assumptions about the carrying value 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Notes (continued)

The directors/trustees consider that the valuation of land and buildings to be the principal judgemental areas in these accounts. Freehold land and buildings are carried on the balance sheet at fair value. The directors/trustees periodically engage with external valuation specialists to ensure that valuations used are up to date and in cases where they consider market factors may indicate material changes in value. The directors/trustees have estimated the current market value, based on a third party valuation report, which uses comparable evidence within the student rental accommodation sector. The comparable evidence used is the typical market rental income by room, the associated operating costs and the typical net yields. The valuation assumption is that out properties will sell for the same amount as the "comparable".

2 Donations and legacies

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|------------------|---|--|----------------------------------|--------------------|--------------------|
| Alumni donations | 56,851 | - | 108,253 | 165,104 | 156,418 |
| Grant Income | - | - | 128,750 | 128,750 | - |
| Legacy Income | 500 | - | - | 500 | 2,001,000 |
| | <u>57,351</u> | <u>-</u> | <u>237,003</u> | <u>294,354</u> | <u>2,157,418</u> |

3 Investment income

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|-------------------------|---|--|----------------------------------|--------------------|--------------------|
| Bank and other interest | 8,748 | 34,096 | 31,753 | 74,597 | 27,281 |
| | <u>8,748</u> | <u>34,096</u> | <u>31,753</u> | <u>74,597</u> | <u>27,281</u> |

4 Income from educational activities

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|--------------------------------------|---|--|----------------------------------|--------------------|--------------------|
| Maintenance fees | 2,005,857 | - | - | 2,005,857 | 1,943,083 |
| College fees | 523,193 | - | - | 523,193 | 481,665 |
| Conferences | 42,001 | - | - | 42,001 | 15,235 |
| Academic projects | - | 29,213 | 39,750 | 68,963 | 50,489 |
| Other income | 132,002 | - | - | 132,002 | 69,154 |
| | <u>2,703,053</u> | <u>29,213</u> | <u>39,750</u> | <u>2,772,016</u> | <u>2,559,626</u> |
| For the year ended 30 September 2022 | 2,509,137 | 14,500 | 35,989 | | 2,559,626 |

During the year, St Chad's College has received grants of £30,000 from Power to Change (2022: nil), £5,000 from the Community Foundation serving Tyne & Wear and Northumberland (2022: £20,000) and £4,750 from the Barrow Cadbury Trust (2022: £10,000). These restricted funds are shown within academic projects above and total £39,750 (2022: £35,989).

Notes (continued)

5 Commercial business income

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|--------------------------------------|---|--|----------------------------------|--------------------|--------------------|
| Conferences and accommodation | 342,486 | - | - | 342,486 | 310,525 |
| For the year ended 30 September 2022 | 310,525 | - | - | | 310,525 |

6 Fundraising expenses and other costs

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|--------------------------------------|---|--|----------------------------------|--------------------|--------------------|
| Alumni development and travel costs | 10,768 | - | - | 10,768 | 11,819 |
| Other expenditure | - | - | - | - | 153 |
| | 10,768 | - | - | 10,768 | 11,972 |
| For the year ended 30 September 2022 | 11,972 | - | - | | 11,972 |

7 Expenditure from commercial trading operations

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|--------------------------------------|---|--|----------------------------------|--------------------|--------------------|
| Conferences and accommodation | 285,583 | - | - | 285,583 | 214,404 |
| For the year ended 30 September 2022 | 214,404 | - | - | | 214,404 |

Notes (continued)

8 Expenditure on Educational Activities

Summary by fund type

| | Unrestricted general funds 2023 £ | Unrestricted designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|---|--|----------------------------------|-------------------------|-------------------------|
| Staff costs | 1,213,067 | 9,603 | 39,750 | 1,262,420 | 1,112,520 |
| Other direct costs | 1,083,691 | 6,481 | 48,736 | 1,138,908 | 1,045,976 |
| Total activities undertaken directly | <u>2,296,758</u> | <u>16,084</u> | <u>88,486</u> | <u>2,401,328</u> | <u>2,158,496</u> |
| Support costs | 128,677 | - | - | 128,677 | 75,773 |
| | <u><u>2,425,435</u></u> | <u><u>16,084</u></u> | <u><u>88,486</u></u> | <u><u>2,530,005</u></u> | <u><u>2,234,269</u></u> |
| Total expenditure on educational activities | | | | | |
| For the year ended 30 September 2022 | 2,151,363 | 14,084 | 68,822 | | 2,234,269 |

9 Educational activities undertaken directly

| | 2023 £ | 2022 £ |
|---------------------|------------------|------------------|
| Student costs | 398,828 | 354,572 |
| Premises costs | 725,579 | 687,306 |
| Conference expenses | 8,020 | 2,048 |
| Academic projects | 6,481 | 2,050 |
| Wages and salaries | 980,168 | 887,593 |
| National insurance | 85,937 | 79,003 |
| Pension cost | 196,315 | 145,924 |
| | <u>2,401,328</u> | <u>2,158,496</u> |

10 Support costs

| | 2023 £ | 2022 £ |
|---------------------------|----------------|---------------|
| Miscellaneous expenditure | 17,538 | 11,610 |
| Office costs | 18,064 | 15,328 |
| <i>Governance costs</i> | | |
| Fees payable to auditor | 11,700 | 12,840 |
| Professional fees | 58,484 | 22,515 |
| Bank charges | 22,891 | 13,480 |
| | <u>128,677</u> | <u>75,773</u> |

Notes (continued)

Net income

| This is stated after charging: | 2023 | 2022 |
|--|----------------|---------|
| | £ | £ |
| Depreciation of tangible fixed assets | | |
| Owned by the charity | 230,486 | 219,956 |
| Owned by trading subsidiary | 2,100 | 2,100 |
| Operating lease costs | 60,000 | 60,000 |
| Fees payable to auditor: | | |
| - Audit of financial statements | 11,700 | 12,840 |
| ..- Audit of the trading subsidiary financial statements | 3,250 | 4,300 |
| - Other fees | - | 3,600 |

Notes (continued)

11 Staff costs

| | 2023 | 2022 |
|-----------------------|-----------|-----------|
| | £ | £ |
| Wages and salaries | 1,133,507 | 999,933 |
| Social security costs | 85,937 | 79,003 |
| Pension costs | 196,315 | 145,924 |
| Redundancy Costs | - | - |
| | 1,415,759 | 1,224,860 |
| | 1,415,759 | 1,224,860 |

There were two employee (2022: one) whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the current or prior year. The emoluments excluding employer pension costs of these employees fell within the following bands:

| | 2023 | 2022 |
|-------------------|------|------|
| £60,000 - £69,999 | 1 | - |
| £70,000 - £79,999 | - | - |
| £80,000 - £89,999 | 1 | 1 |
| | 1 | 1 |

Pension contributions for the above employees totalled £32,262 (2022: £18,105).

The average number of employees, analysed by function, was:

| | 2023 | 2022 |
|-----------------------------|------|------|
| Academic and administration | 23 | 21 |
| Support staff | 39 | 41 |
| | 62 | 62 |
| | 62 | 62 |

12 Key management personnel

The Governors of the Group and the Group Officers are the key management personnel of the Charitable Company. They are in charge of directing and controlling, running and operating the Charitable Company on a day-to-day basis.

No remuneration was paid to any of the Governors in their capacity as trustees during the year (2022: nil). One (2022: one) Governor received remuneration in total of £87,261 (2022: £84,947) in connection with their full-time employment by the Group. The Group paid contributions of £18,797 (2022: £18,105) to money purchase and defined benefit pension schemes in respect of this Governor. The Group paid £10,867 (2022: £10,964) in employers national insurance contributions in respect of this Governor. Remuneration was received for duties other than those connected to the Governors of the Group.

The Group Officers received remuneration in total of £214,702 (2022: £210,952) in connection with their full-time employment by the Group. The Group paid contributions of £45,567 (2022: £44,109) to money purchase and defined benefit pension schemes in respect of the Group Officers. The Group paid £25,994 (2022: £25,788) in employers national insurance contributions for Group officers.

£1,858 of travel and miscellaneous expenses (2022: £630) were reimbursed to the key management personnel during the year. No expenses were waived by the key management personnel (2022: £nil). 5 donations (2022: 5) were made to the charitable company by the key management personnel during the year amounting to £6,460 (2022: £6,719).

Notes (continued)

12 Key management personnel (continued)

Owing to the nature of the Group's operations and the composition of the Group's Governors, it is inevitable that transactions will take place with organisations in which a Governor may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with Group financial regulations and normal procurement procedures.

Mr P Chandler became a Senior Non-Executive Member of Chapter at Durham Cathedral in September 2023. The College has leased Trinity Hall, Grove Street, Durham from the Cathedral for a number of years, with fifteen years remaining on this lease.

13 Taxation

St Chad's College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Financial performance of the charitable company

The consolidated Statement of Financial Activities includes the results of the wholly owned subsidiary.

The summary financial performance of the charity alone is:

| | 2023 £ | 2022 £ |
|--|-------------|-------------|
| Income | 3,237,087 | 4,760,958 |
| Expenditure | (2,540,773) | (2,246,241) |
| Unrealised Gains/(losses) on investments | 14,388 | (68,917) |
| Unrealised (losses) on revaluation of fixed assets | (263,310) | - |
| | 447,392 | 2,445,800 |
| Net Income | 447,392 | 2,445,800 |

15 Tangible fixed assets

| | Leasehold land and buildings £ | Freehold land and buildings £ | Other fixed assets £ | Total £ |
|------------------------------|---|--|----------------------------|-------------------|
| Cost or valuation | | | | |
| At the beginning of the year | 703,522 | 10,934,919 | 3,659,451 | 15,297,892 |
| Additions | - | 901,537 | 337,655 | 1,239,192 |
| Disposals | - | - | (333,689) | (333,689) |
| Revaluation | - | (2,561,456) | - | (2,561,456) |
| | 703,522 | 9,275,000 | 3,663,417 | 13,641,939 |
| Depreciation | | | | |
| At the beginning of the year | 371,388 | - | 1,980,705 | 2,352,093 |
| Charge for year | 22,270 | - | 210,316 | 232,586 |
| Disposals | - | - | (333,689) | (333,689) |
| At the end of the year | 393,658 | - | 1,857,332 | 2,250,990 |
| Net book value | | | | |
| At 30 September 2023 | 309,864 | 9,275,000 | 1,806,085 | 11,390,949 |
| At 30 September 2022 | 332,134 | 10,934,919 | 1,678,746 | 12,945,799 |

Notes (continued)

15 Tangible fixed assets (continued)

The freehold land and buildings were revalued as at 21st September 2023 by Avison Young (UK) Limited (RICS) on the basis of market value at £9,275,000. The historic cost of the buildings being carried at valuation is £5,425,328.

No depreciation charge is shown in relation to freehold land and buildings of £9,275,000 (2022: £10,934,919) on the basis that land is not depreciated and that the residual value of the buildings exceeds the carrying value.

St Chad's College has a long lease running until 24th July 2112 for 1-2 North Bailey, DH1 3ET (Queens Court) from Durham University, which is on a peppercorn rent. The current market valuation of the property is £1,045,000, based on a valuation carried out by Avison Young (UK) on the 21st September 2023. The property has not been capitalised within tangible fixed assets.

At 30 September 2023, included within the net book value of land and buildings is £309,864 (2022: £332,134) relating to leasehold land and buildings.

The Group's collection of rare books, antiques, paintings, and silverware were reviewed and catalogued in 1997. Those assets considered to be of value were identified and included in the accounts at an original valuation of £106,170. The collection was last revalued as at the 30 September 2018 at £212,670. The total value of the collection, held within the other fixed assets balance, is £266,670 (2022: £212,670). Additions in the year to the collection were £54,000, being a donation to St Chad's College of six Mandela Lithographs.

| Charity | Leasehold land and buildings £ | Freehold land and buildings £ | Other fixed assets £ | Total £ |
|------------------------------|---|--|----------------------------|-------------------|
| Cost or valuation | | | | |
| At the beginning of the year | 703,522 | 10,934,919 | 3,638,451 | 15,276,892 |
| Additions | - | 901,537 | 337,655 | 1,239,192 |
| Disposals | - | - | (333,689) | (333,689) |
| Revaluation | - | (2,561,456) | - | (2,561,456) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At the end of the year | 703,522 | 9,275,000 | 3,642,417 | 13,620,939 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | |
| At the beginning of the year | 371,388 | - | 1,973,530 | 2,344,918 |
| Charge for year | 22,270 | - | 208,216 | 230,486 |
| Disposals | <hr/> | <hr/> | <hr/> | <hr/> |
| At the end of the year | 393,658 | - | 1,848,057 | 2,241,715 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value | | | | |
| At 30 September 2023 | 309,864 | 9,275,000 | 1,794,360 | 11,379,224 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 30 September 2022 | 332,134 | 10,934,919 | 1,664,921 | 12,931,974 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Notes (continued)

16 Investments

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|-----------------------------------|--------------------|--------------------|----------------------|----------------------|
| Shares in subsidiary undertakings | - | - | 1 | 1 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

| Company | Country | Percentage Shareholding | Description |
|-------------------------------------|-------------------|-------------------------|-------------|
| St Chad's College (Trading) Limited | England and Wales | 100% | Ordinary |

St Chad's College (Trading) runs non-educational conferences, weddings, and the provision of accommodation within the college buildings. The subsidiary pays all of its taxable profits to the charity under the gift aid scheme. A summary of the trading result and summary of assets and liabilities is shown below:

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Turnover | 342,486 | 310,525 |
| Cost of sales and administration costs | (285,583) | (214,405) |
| | <u> </u> | <u> </u> |
| Net profit | 56,903 | 96,120 |
| Amount gift aided to the charity | (96,120) | (16,633) |
| | <u> </u> | <u> </u> |
| Retained in subsidiary | (39,217) | 79,487 |
| | <u> </u> | <u> </u> |
| The assets and liabilities of the subsidiaries were: | | |
| Fixed assets | 11,725 | 13,825 |
| Current assets | 543,964 | 303,962 |
| Current liabilities | (498,785) | (221,666) |
| | <u> </u> | <u> </u> |
| Total Shareholders' funds | 56,904 | 96,121 |
| | <u> </u> | <u> </u> |

During the period wages, salaries and premises costs of £233,088 (2022: £171,046) were recharged by the Group to its subsidiary and the Group received a gift aid payment of £96,120 (2022: £16,633) from the subsidiary. At 30 September 2023 the Group was owed £453,528 (2022: £166,915) by the subsidiary.

The registered office at St Chad's College (Trading) Limited is the same as St Chad's College Durham.

The prior year comparatives have been restated to show the amount gift aid paid to the charity in the year at £16,633 rather than a gift aid accrual of £96,120, being the net profit for 2022. The intercompany creditor balance owed to St Chads College at the end of 2022 has also been restated from £263,035 to £166,915, having removed the gift aid accrual of £96,120 from the balance at 30th September 2022.

Notes (continued)

17 Stock

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Goods for resale | 6,653 | 7,874 | 6,653 | 7,874 |

18 Debtors

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade debtors | 25,389 | 17,576 | 17,939 | 7,543 |
| Amounts owed by group undertakings | - | - | 453,528 | 166,915 |
| Value added tax recoverable | 23,837 | - | - | - |
| Prepayments | 33,798 | 35,631 | 32,237 | 34,165 |
| Accrued income | 49,788 | 2,149,483 | 49,788 | 2,148,542 |
| | 132,812 | 2,202,690 | 553,492 | 2,357,165 |

19 Short-term investments

| Group and Charity | Unrestricted COIF Ethical £ | Designated COIF Ethical £ | Restricted COIF Ethical £ | Restricted Elizabeth Griffiths Trust £ | Total 2023 £ | Total 2022 £ |
|-----------------------------------|--|--|--|---|-----------------------------|-----------------------------|
| <i>Market value</i> | | | | | | |
| At beginning of year | - | 173,298 | 731,420 | 40,096 | 944,814 | 944,816 |
| Additions in year | - | - | 66,575 | - | 66,575 | 68,915 |
| Interest receivable | - | - | - | - | - | - |
| Disposals in year | - | - | - | - | - | - |
| Transfers | 175,593 | (175,593) | - | - | - | - |
| Net (losses)/gains on revaluation | - | 2,295 | 10,156 | 1,937 | 14,388 | (68,917) |
| At end of year | 175,593 | - | 808,151 | 42,033 | 1,025,777 | 944,814 |

Assets are held in the COIF Charities Ethical Investment Fund. The Elizabeth Griffiths Bursary Trust for St Chad's College investment portfolio is administered by Rathbone Investment Management Limited.

20 Creditors: amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans (note 20) | 29,951 | 29,951 | 29,921 | 29,951 |
| Trade creditors | 153,097 | 471,595 | 138,221 | 467,090 |
| Value added tax payable | - | 11,650 | 172,720 | - |
| Social security and other taxes | 25,180 | 23,857 | 25,180 | 23,857 |
| Other creditors | 1,718 | 1,568 | 1,718 | 1,568 |
| Accruals and deferred income | 624,236 | 99,464 | 593,855 | 60,868 |
| | 834,182 | 638,085 | 961,645 | 583,334 |

Notes (continued)

| Deferred income | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Deferred income brought forward | 44,759 | 48,010 | 18,963 | 28,770 |
| Amounts released from previous year | (44,759) | (48,010) | (18,963) | (28,770) |
| Resources deferred in the year | 124,353 | 44,759 | 99,313 | 18,963 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Deferred income carried forward | 124,353 | 44,759 | 99,313 | 18,963 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

21 Creditors: amounts falling due after more than one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 122,303 | 152,254 | 122,303 | 152,254 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

The bank loan is secured by a first legal charge over 30 Hallgarth Street and 25 North Bailey, both situated in Durham.

The repayment of the loan commenced in March 2010 and was re-financed on the 17th June 2020.

Interest is charged at 1.25% above base rate.

The re-financed loan is being repaid in instalments over 8 years with the expected final payment due in October 2028.

| Maturity – loans | 2022 £ | 2022 £ |
|----------------------------|-------------------|-------------------|
| Aggregate amounts payable: | | |
| Within two and five years | 119,806 | 119,806 |
| More than five years | 2,497 | 32,448 |
| | <hr/> | <hr/> |
| Within one year (note 19) | 122,303 | 152,254 |
| | 29,951 | 29,951 |
| | <hr/> | <hr/> |
| | 152,254 | 182,205 |
| | <hr/> <hr/> | <hr/> <hr/> |

Notes (continued)

22 Financial instruments

21 (a) Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Assets measured at fair value through profit or loss | 1,025,777 | 944,814 | 1,025,777 | 944,814 |
| Assets measured at amortised cost | 25,389 | 17,516 | 471,467 | 174,458 |
| Liabilities measured at amortised cost | (307,069) | (655,368) | (292,192) | (650,863) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

21 (b) Financial instruments measured at fair value

The financial assets measured at fair value held by the Charitable Company are represented by two short term investment portfolios:

- 1 Shares held in the COIF Charities Ethical Investment Fund administered by the CCLA (Churches, Charities and Local Authorities) Investment Management Limited
- 2 The Elizabeth Griffiths Bursary Trust for St Chad's College investment portfolio administered by Rathbones Investment Management Limited

The fair value of these investments is determined by reference to their quoted mid-market price at the balance sheet date. The Charitable Company does not hold any financial liabilities that are measured at fair value.

21 (c) Fair values

The amounts for all financial assets carried at fair value are as follows (group and charity):

| | Fair value 2023 £ | Fair value 2022 £ |
|--|--------------------------------------|--------------------------------------|
| Non-derivative financial assets at fair value through profit and loss | | |
| Short-term investments | 1,025,777 | 944,814 |
| | <u> </u> | <u> </u> |

23 Pension scheme

The College contributes towards three pension schemes, the Universities Superannuation Scheme (USS), the Durham University Pension Scheme and The National Employment Savings Trust, a defined contribution workplace pension scheme (NEST). The pension cost for the year represents contributions payable by the Group to the funds and amounted to £196,315 (2022: £145,924).

The September 2023 pension contributions were paid before the year end and there is no pension creditor at the year end.

The required employer contribution rates to the Universities Superannuation Scheme (USS) increased in April 2022 from 21.4% to 21.6% due to the scheme being in deficit. The required contribution rates to the Durham University Pension Scheme increased for employers for 15.6% to 24% in July 2022 due to the scheme being in deficit.

24 Commitments

The annual operating lease payments of £60,000 have been recognised as an expense in the profit and loss account. The future non-cancellable operating lease rentals for Trinity Hall are disclosed below.

Non-cancellable operating lease rentals are payable as follows:

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Within one year | 60,000 | 60,000 | 60,000 | 60,000 |
| Within two to five years | 240,000 | 240,000 | 240,000 | 240,000 |
| More than five years | 595,000 | 655,000 | 595,000 | 655,000 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 895,000 | 955,000 | 895,000 | 955,000 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

Notes (continued)

25 Contingent Liabilities

The operating lease for the rental of Trinity Hall ends on the 31st August 2038. Within the lease are contractual conditions which require St Chad's College to "make good" in terms of any alternations made and also deal with repairs deemed to be part of maintaining the existing condition of the property. It is not possible to accurately measure the value of these future costs as further maintenance works will be carried out during the remaining period of the lease. It also difficult to quantify the potential liability as no buildings conditions surveys were conducted prior to the commencement of the lease in September 2002.

26 Movements in funds – Group (2023)

| | Brought forward £ | Income £ | Expenditure £ | Unrealised gains/(losses) on investments £ | Transfers £ | Carried forward £ |
|---------------------------------|-------------------------|------------------|--------------------|---|------------------|-------------------------|
| Designated funds | | | | | | |
| Revaluation reserve | 6,814,875 | - | - | (2,298,146) | - | 4,516,729 |
| Policy and Practice fund | 46,349 | 29,213 | (16,084) | - | - | 59,478 |
| Scholarships & Bursaries Fund | 173,298 | 6,746 | - | 2,295 | (182,339) | - |
| The Jim Tyrrell Fund | 2,000,000 | 27,350 | - | - | (4,392) | 2,022,958 |
| Total designated funds | 9,034,522 | 63,309 | (16,084) | (2,295,851) | (186,731) | 6,599,165 |
| General funds | | | | | | |
| General funds | 6,265,219 | 3,111,638 | (2,721,786) | (263,310) | 491,971 | 6,883,732 |
| Total unrestricted funds | 6,265,219 | 3,111,638 | (2,721,786) | (263,310) | 491,971 | 6,883,732 |
| Restricted funds | | | | | | |
| Policy and Practice fund | - | 39,750 | (39,750) | - | - | - |
| Farmington Trust | 3,036 | 113 | - | 38 | - | 3,187 |
| Chaplaincy to the Arts | 52,427 | 1,951 | - | 664 | - | 55,042 |
| Elizabeth Griffiths Trust | 40,096 | 1,227 | (1,227) | 1,937 | - | 42,033 |
| Scholarships & Bursaries Fund | 744,971 | 92,004 | (31,554) | 9,454 | 3,093 | 817,968 |
| Buildings Fund | 59,525 | 20,535 | - | - | (80,060) | - |
| Chapel Fund | 88,769 | 140,803 | - | - | (229,572) | - |
| Student Support Fund | 500 | 2,000 | (1,263) | - | (600) | 637 |
| Opportunities Fund | 2,070 | - | (3,369) | - | 1,299 | - |
| Academic Development Fund | - | 1,000 | (1,490) | - | 600 | 110 |
| Boat Club Fund | 3,854 | - | - | - | - | 3,854 |
| College Choir Fund | 9,716 | 6,373 | (9,833) | - | - | 6,256 |
| Other Funds | 7,340 | 2,750 | - | - | - | 10,090 |
| Total restricted funds | 1,012,304 | 308,506 | (88,486) | 12,093 | (305,240) | 939,177 |
| Total funds | 16,312,045 | 3,483,453 | (2,826,356) | (2,547,068) | - | 14,422,074 |

Notes (continued)

Movements in funds – Group (2022) - restated

| | Brought forward £ | Income £ | Expenditure £ | Unrealised gains/(losses) on investments £ | Transfers £ | Carried forward £ |
|---|-------------------------|------------------|--------------------|---|-----------------|-------------------------|
| Designated funds | | | | | | |
| Revaluation reserve (<i>restated</i>) | 6,814,875 | - | - | - | - | 6,814,875 |
| Policy and Practice fund | 40,601 | 14,500 | (8,752) | - | - | 46,349 |
| Scholarships & Bursaries Fund | 186,162 | 5,332 | (5,332) | (12,864) | - | 173,298 |
| The Jim Tyrrell Fund | - | 2,000,000 | - | - | - | 2,000,000 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total designated funds | 7,041,638 | 2,019,832 | (14,084) | (12,864) | - | 9,034,522 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| General funds | | | | | | |
| General funds (<i>restated</i>) | 5,818,015 | 2,824,943 | (2,377,739) | - | - | 6,265,219 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total unrestricted funds | 5,818,015 | 2,824,943 | (2,377,739) | - | - | 6,265,219 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Restricted funds | | | | | | |
| Policy and Practice fund | - | 35,989 | (35,989) | - | - | - |
| Farmington Trust | 3,162 | 89 | - | (215) | - | 3,036 |
| Chaplaincy to the Arts | 54,606 | 1,542 | - | (3,721) | - | 52,427 |
| Elizabeth Griffiths Trust | 46,269 | 1,022 | (1,022) | (6,173) | - | 40,096 |
| Scholarships & Bursaries Fund | 706,633 | 103,197 | (18,833) | (46,026) | - | 744,971 |
| Emergency Covid Appeal | 18,129 | - | (155) | - | (17,974) | - |
| Buildings Fund | 36,544 | 22,981 | - | - | - | 59,525 |
| Chapel Fund | 32,801 | 37,912 | - | 82 | 17,974 | 88,769 |
| Boat Club Fund | 3,854 | - | - | - | - | 3,854 |
| College Choir Fund | 13,712 | 5,848 | (9,844) | - | - | 9,716 |
| Other Funds | 11,394 | 1,495 | (2,979) | - | - | 9,910 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total restricted funds | 927,104 | 210,075 | (68,822) | (56,053) | - | 1,012,304 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total funds | 13,786,757 | 5,054,850 | (2,460,645) | (68,917) | - | 16,312,045 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

Revaluation reserve

The revaluation reserve of £4,516,729 (2022: £6,814,875 restated) represents the revaluation of antiques at £212,670 (2022: £212,670) and the revaluation of the Group's freehold land and buildings of £4,304,059 (2022: £6,602,205). A prior year adjustment has been made to the 2022 opening balance to increase the revaluation reserve by £190,781 and reduce the general reserve by the same amount representing a correction to the classification between historic cost of freehold land and buildings and the revaluation reserve.

Designated funds

The Policy and Practice fund is income received and designated to enable Professor Tony Chapman and his research assistants to carry out their research.

The Scholarships & Bursaries Fund was formed from the sale proceeds of a property, 11 Tenter Terrace, which was donated to the Group during 2014/15. These funds are currently invested in the COIF Charities Ethical Investment Fund. The balance on this fund of £182,339 was undesignated in the year and balance was transferred into unrestricted funds.

The Jim Tyrrell Fund was established last financial year, following the recognition of a substantial legacy. The fund will be used to support deserving students via a number of scholarships and bursaries, outreach work, a Student support fund (previously called a hardship fund) and an Opportunities fund which will allow students to participate in activities that would otherwise be unavailable due to financial reasons.

General fund

The general fund is retained to cover working capital. A prior year adjustment has been made to the 2022 opening balance to increase the revaluation reserve by £190,781 and reduce the general reserve by the same amount representing a correction to the classification between historic cost of freehold land and buildings and the revaluation reserve.

Notes (continued)

Restricted funds

At 30 September 2023 the estate reserve (i.e., total fixed assets) was £11,390,949 (2022: £12,945,799), restricted reserves were £939,177 (2022: £1,012,304), and non-fixed assets designated reserves were £2,082,436 (2022: £2,219,647) leaving free reserves of £9,512 (2022: £134,295).

The Policy and Practice fund includes restricted grant income during the year which was used to fund specific academic research projects.

Income received from the Farmington Trust is to be used for research projects.

Elizabeth Griffiths Trust (a donation received in 2014/15) is restricted such that any investment income is used for scholarships and bursaries for students of the College.

Chaplaincy to the Arts is a restricted gift to be used to fund Arts in the Northeast via annual/biannual awards.

The Scholarships & Bursaries Fund is formed from donations restricted for scholarships. The fund balance is currently invested in COIF Charities Ethical Investment Fund £754,425 and the balance of £63,543 is held in cash and debtors at the year end. The investment income from the Scholarships & Bursaries Fund is used to fund scholarships for students studying at Durham University who are St Chad's members.

The Buildings Fund is formed from donations restricted for the refurbishment & upgrading of the college buildings estate.

The Chapel Fund (formally the Chapel Legacy) is restricted to funding the maintenance of the college chapel.

The Student Support Fund is available to students who face specific and unexpected financial difficulties or emergency circumstances which require immediate financial support.

The Opportunities Fund seeks to enable students to participate in wider student experience activities (eg sport, music, college or student society social activities) that may otherwise be financially inaccessible to them.

The Academic Development Fund aims to further the academic ambitions of St Chad's College students by supporting conference attendance, research visits, resource purchases or other activities which are broadly academic in nature.

The Boat Club Fund is restricted to funding St Chad's College Boat Club.

The College Choir Fund is a restricted to funding choral and organ scholarships and music expenses for the college choir.

Other funds include amounts restricted for college sports (£4,451), the college library (£1,289), the college garden (£1,250), chapel choir Music (£2,891), volunteering & outreach (£150), music & the arts (£50).

Transfers

During the year a transfer of £182,339 was made from the designated Scholarship and Bursaries Fund into unrestricted funds.

Transfers have been made from The Jim Tyrrell fund into the restricted Opportunities fund at £1,299 and into the restricted Scholarship & Bursaries Fund at £3,093. The total transfers from The Jim Tyrrell fund into restricted funds in the year were £4,392.

A transfer of £600 was made from the Student Support fund to the Academic Development fund. This transfer was approved by the Senior Common Room, which donated £1,800 in the year into the Student Support fund (previously called the Hardship fund).

A transfer of £229,572 was made from the Chapel fund to unrestricted funds to meet the costs of the Chapel refurbishment project completed within the year.

A transfer of £80,060 was made from the Building fund to unrestricted funds to contribute to the costs of the Langford House refurbishment completed within the year.

During the prior year there was a transfer of £17,974 from the Emergency Covid Appeal fund to the Chapel Appeal Fund, following consent from a donor to re-purpose funds originally donated during the pandemic.

Notes (continued)

27 Analysis of net assets between funds

| Group 2023 | Unrestricted Funds £ | Designated funds £ | Restricted Funds £ | Total 2023 £ |
|--|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| Tangible fixed assets | 6,874,220 | 4,516,729 | - | 11,390,949 |
| Cash at bank and in hand | 696,785 | 2,075,424 | 50,159 | 2,822,368 |
| Other net current assets/(liabilities) | (564,970) | 7,012 | 889,018 | 331,060 |
| Long term liabilities | (122,303) | - | - | (122,303) |
| | 6,883,732 | 6,599,165 | 939,177 | 14,422,074 |
| | 6,883,732 | 6,599,165 | 939,177 | 14,422,074 |
| Group 2022 | Unrestricted Funds £ | Designated funds £ | Restricted Funds £ | Total 2022 £ |
| Tangible fixed assets | 6,130,924 | 6,814,875 | - | 12,945,799 |
| Cash at bank and in hand | 722,753 | 46,349 | 232,105 | 1,001,207 |
| Other net current assets/(liabilities) | (436,204) | 2,173,298 | 780,199 | 2,517,293 |
| Long term liabilities | (152,254) | - | - | (152,254) |
| | 6,265,219 | 9,034,522 | 1,012,304 | 16,312,045 |
| | 6,265,219 | 9,034,522 | 1,012,304 | 16,312,045 |