

Newbold College
(Trading as Newbold College of Higher Education)

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

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

Newbold College

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Newbold College
Governors
For the year ended 31 December 2020

Raafat Kamal	Chair
Ian Sweeney	Vice Chair
John Baildam	Secretary
Audrey Andersson	
Nenad Jeuranovic	
Daniel Duda	
Patrick Johnson	
Rob De Raad	
Ryszard Jankowski	Resigned 22/11/2020
Bobby Sjolander	Resigned 22/11/2020
Victor Marley	
Thomas Müller	Resigned 22/11/2020
Drago Mojzes	Resigned 22/11/2020
David Nõmmik	Resigned 19/05/2019
Tamas Ócsai	Resigned 22/11/2020
Djordje Trajkovski	Resigned 19/05/2019
Emmanuel Osei	
Kathleen Hanson	Resigned 24/09/2019
Styrkår Dramstad	
Sophia Nicholls	Resigned 22/11/2020
Isabel de Moraes	Resigned 22/11/2020
Claudette Comerasamy	Resigned 22/11/2020
Victor Hulbert	Resigned 22/11/2020
Ingalll Gimbler-Berglund	Resigned 22/11/2020
Robert Pearce	Resigned 19/05/2019
ian Redfern	
Judy Clements	Resigned 22/11/2020
Ivo Kask	Resigned 22/11/2020
Dragan Grujicic	
Aimo Helminen	Resigned 22/11/2020
Carsten Waern	Appointed 22/11/2020
Gina Abbequaye	Appointed 22/11/2020
Paul Thompson	Appointed 22/11/2020
Natalie Henry	Appointed 22/11/2020
Richard Jackson	Appointed 22/11/2020

Newbold College
Reference and administrative details of the charity and advisers
For the year ended 31 December 2020

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

Newbold College

Governors' and Strategic Report

For the year ended 31 December 2020

The Governors (who are also directors of the Charity for the purposes of the Companies Act) submit their annual report and the audited financial statements of Newbold College of Higher Education (the Company) for the year ended 31 December 2020. The Governors confirm that the annual report and financial statements of the Company comply with current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), "The FRS 102 Charities SORP, the Companies Act 2006 and Charities Act 2011".

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

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

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

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

METHOD OF APPOINTMENT OR ELECTION OF GOVERNORS

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

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board is a governing and policy-making body, which is responsible for formulating and adopting the strategy for the College as well as setting key performance indicators (KPIs). It is not responsible for the day-to-day running of the College. Its work is to balance the need of conformance (i.e. compliance with legislation, regulation and codes of practice - both within the Church and academia) with performance (i.e. improving the performance of the organisation through strategy formulation and policy-making). Scheduled meetings in 2020 were held in May and November.

Although the governance structure changed with effect from the beginning of 2021, during the year under review the Executive Committee of the Board of Governors acted on behalf of the Board of Governors and made decisions on major operational matters based on the recommendations received from Board sub-committees and the College Principal. The Executive Committee typically meets about six times annually between the dates of the schedules full Board meetings.

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

Newbold College
Governors' and Strategic Report (continued)
For the year ended 31 December 2020

RELATED PARTY RELATIONSHIPS

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

RISK MANAGEMENT

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

OBJECTIVES AND ACTIVITIES

POLICIES AND OBJECTIVES

The main strategic priorities of Newbold College of Higher Education are to provide high quality, creative and challenging learning opportunities; promote and mentor the spiritual growth of students and staff; nurture and support students throughout their learning experience; and promote opportunities for service to meet the needs of others. Further, it is important to the College that it fills the needs of the Seventh-day Adventist Church in Europe for educated pastors and lay people. This is achieved by educational experiences that enhance all aspects of student life - the mental, physical, emotional, environmental and spiritual. During the year ending 31 December 2020 the College offered a Postgraduate Certificate in Ministry and Mission; an MA degree in Theology; a Graduate Diploma in Biblical & Pastoral Studies; undergraduate degrees in Biblical & Pastoral Studies, Religious Studies, Humanities and Business Studies; as well as short Study Abroad programmes and courses in English for Speakers of Other Languages.

STRATEGIES FOR ACHIEVING OBJECTIVES

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

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

Newbold College

Governors' and Strategic Report (continued)

For the year ended 31 December 2020

ACTIVITIES FOR ACHIEVING OBJECTIVES

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

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

ACHIEVEMENTS AND PERFORMANCE

GOING CONCERN

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

REVIEW OF ACTIVITIES

This report covers the period 01 January 2020 to 31 December 2020.

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

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

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

Newbold College
Governors' and Strategic Report (continued)
For the year ended 31 December 2020

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

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

With designation by the new Office for Students (OfS) granted in the autumn of 2018 for the College's University of Wales Trinity Saint David-validated programmes (with the exception of the Graduate Diploma), the College spent much time registering with OfS and in connection with such registration fulfilled the requirements of the Prevent Duty and relevant Safeguarding legislation. Full registration with OfS was effected in October 2020.

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

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

During 2020 the College received £63,713 in donations to support operations and worthy-student scholarships.

FACTORS RELEVANT TO ACHIEVE OBJECTIVES

Important factors of Newbold's success are the professional success of its graduates and positive word-of-mouth comments by satisfied students and dedicated staff. The Government's restrictions on UK entry make it increasingly challenging for students to obtain visas to enter the country and study at Newbold College of Higher Education. The possible restrictions which may occur at the end of 2020 as a result of the Brexit process are under constant review.

FINANCIAL REVIEW & KEY PERFORMANCE INDICATORS

RESERVES POLICY

The reserves policy of Newbold College of Higher Education is that a working capital of 20% of the annual operating expense, in addition to allocated funds, be maintained. This was achieved in 2019 and 2020 as a result of cash inflow from the sale of redundant properties in previous years and surplus made for the past four years.

The Charity had unrestricted reserves of £7,457,596 (2019: £7,681,819). And total reserves of £11,866,559 (2019: £11,892,862).

FUTURE FUNDING & FINANCIAL SUPPORT

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

PLANS FOR THE FUTURE

FUTURE DEVELOPMENTS

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

Newbold College
Governors' and Strategic Report (continued)
For the year ended 31 December 2020

Rigorous steps have been taken to improve cash flow and working capital to ensure the survival of institution

Further upgrade of the physical plant and campus renewal initiatives have been prioritised which will be funded through asset management and development, though such was stymied by the locking-down of the campus due to the COVID-19 restrictions. During 2019 the Board investigated the possibilities for the future of Egremont and for the building of a snack bar/book shop. It was anticipated that final decisions would be made in early 2020, though for reasons stated above this was not possible.

EFFECT OF COVID-19 ON THE COLLEGE

On 23 March 2020 the Government announced a national lockdown in response to the COVID-19 pandemic.

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

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

Our Board of Trustees responded to this new challenge by reviewing in detail the budgets prepared by the Senior Leadership Team via video-calls and refocusing governance to the immediate emergency needs.

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

The Governors continue to review the ongoing position and will take necessary action as required. Indeed, in September 2020 the Governors agreed a reorientation of the College whereby there would be some downsizing of staff numbers and the teaching-out of some programmes to enable the College to concentrate on education within the areas of Ministry and Mission.

GOVERNORS' RESPONSIBILITIES STATEMENT

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Newbold College
Statement of Governors' Responsibilities
For the year ended 31 December 2020

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


Statement of Disclosure to Auditors

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

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

Auditors reappointment

The auditors are deemed to be reappointed under section 487(2) of the Companies Act 2006. This report was approved by the Governors on 23 May 2020 and signed on their behalf by:



Raafat Kamal
Chair of the Board of Governors

Date: 23/06/2021

Newbold College

Independent Auditors' Report to the Members of Newbold College

Opinion

We have audited the financial statements of Newbold College (the company) for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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 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.

Newbold College

Independent Auditors' Report to the Governors of

Newbold College

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act

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

- the information given in the governors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' annual report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' annual report.

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

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

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on pages 3 to 8, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial

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

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussion with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instance of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governors.
- Conclude on the appropriateness of the governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

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

conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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



Date: 30 June 2021

Silvia Vitello (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

4 Victoria Square
St Albans
Herts
AL1 3TF

Newbold College
Statement of Financial activities
For the year ended 31 December 2020

Notes	2020			2019			Total Funds
	Unrestricted Funds	Restricted Funds	Endowment Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	
	£	£	£	£	£	£	£
Income and Expenditure							
Income and endowments from							
2 Donations and legacies	1,740,324	34,719	-	1,823,008	-	-	1,823,008
3 Charitable activities	1,624,457	-	-	2,597,187	100	-	2,597,287
4 Investments	728	469	-	1,823	850	-	2,673
5 Government grants	241,728	-	-	-	-	-	-
	<u>3,607,237</u>	<u>35,188</u>	-	<u>4,422,018</u>	<u>950</u>	-	<u>4,422,968</u>
Expenditure on:							
6 Raising funds	34,258	9,331	-	70,921	-	-	70,921
7 Charitable activities	3,411,524	106,532	95,343	4,214,177	81,207	41,666	4,337,050
8 Governance	11,740	-	-	20,675	-	-	20,675
	<u>3,457,522</u>	<u>115,863</u>	<u>95,343</u>	<u>4,305,773</u>	<u>81,207</u>	<u>41,666</u>	<u>4,428,646</u>
Total Resources Expended							
	149,715	(80,675)	(95,343)	116,245	(80,257)	(41,666)	(5,678)
Net Incoming/(Outgoing) Resources							
Transfers between funds	(353,938)	172,039	181,899	(380,621)	144,550	246,071	-
Net Movement in Funds							
	(204,223)	91,364	86,556	(274,376)	64,293	204,405	(5,677)
Reconciliation of funds							
Fund balances brought forward at 01 January	7,661,819	1,292,198	2,938,845	7,936,195	1,227,905	2,734,440	11,898,540
Fund balances carried forward at 31 December	<u>7,457,596</u>	<u>1,383,562</u>	<u>3,025,401</u>	<u>7,661,819</u>	<u>1,292,198</u>	<u>2,938,845</u>	<u>11,892,862</u>

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

All activities relate to continuing operations

The notes on pages 16 to 30 form part of these financial statements.

Newbold College
Balance sheet as at
31 December 2020

	Notes	2020 £	2019 £
Fixed Assets			
Tangible fixed assets	13	5,887,235	6,152,204
		<u>5,887,235</u>	<u>6,152,204</u>
Current Assets			
Stock and work in progress		10,995	11,746
Investments	12	243,921	243,452
Debtors	14	5,860,006	5,693,654
Cash at bank and in hand		512,323	595,630
		<u>6,627,245</u>	<u>6,544,482</u>
Creditors: Amounts falling due within one year	15	647,921	803,824
		<u>5,979,324</u>	<u>5,740,658</u>
Net Current Assets		11,866,559	11,892,862
Net Assets		11,866,559	11,892,862
Funds			
Endowment	16	3,025,401	2,938,845
Restricted	16	1,383,562	1,292,198
Unrestricted	16	7,457,596	7,661,819
		<u>11,866,559</u>	<u>11,892,862</u>

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

Approved and authorised for issue by the Board of Governors on 23 May 2020, and signed on its behalf by:



Trustee
Company number: 3143237
Charity number: 1052494

The notes on pages 16 to 30 form part of these accounts.

Newbold College
Statement of Cash Flows
For the year ended 31 December 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net (Expenditure)/ income for the year	(26,303)	(5,678)
Adjustments for:		
Depreciation of tangible fixed assets	327,652	310,364
Interest received	(1,197)	(2,673)
Changes in working capital:		
(Increase)/Decrease in debtors	(166,352)	287,641
(Decrease) in creditors	(155,903)	(89,382)
Decrease in stocks	751	9,480
Net cash (used in) / generated by operating activities	<u>(21,352)</u>	<u>509,752</u>
Cashflows from investing activities		
Proceeds from sale of assets	-	
Purchase of Investments	(469)	(850)
Purchase of fixed assets	(62,683)	(400,075)
Interest received	1,197	2,673
Net cash from investing activities	<u>(61,955)</u>	<u>(398,252)</u>
Change in cash and cash equivalents in the year	(83,307)	111,500
Cash and cash equivalents at beginning of year	595,630	484,130
	<u>512,323</u>	<u>595,630</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

1 Accounting Policies

1.1 Basis of preparation

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

1.2 Charity status

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

1.3 Going concern

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

1.4 Incoming resources

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

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

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

1.5 Fund accounting

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

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

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

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

1 Accounting Policies (Continued)

1.6 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant condition will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Coronavirus Job Retention Scheme grant is intended to cover payroll costs incurred and the grant is recognised in SoFA/Profit and loss in the same period in which the related expense is incurred. The grant is recognised in other income

1.7 Grant-making policies

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

1.8 Resources expended

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

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

All costs include value added tax where applicable.

1.9 Risk mitigation

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

1.1 Foreign Currency Translations

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

1.11 Fixed assets

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

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

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

1.12 Classification of Land and Buildings

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

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

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

1.13 Pension costs

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

1.14 Stock

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

1.15 Operating leases

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

1.16 Financial Instruments

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

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

1.17 Critical accounting estimates and judgements

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

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

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

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

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets . The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investment, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property, plant and equipment.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

2 Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £
2020				
Operating grants from parent organisation	909,806	-	-	909,806
Special grants from parent organisation	801,474	-	-	801,474
	<u>1,711,280</u>	<u>-</u>	<u>-</u>	<u>1,711,280</u>
Donations	29,044	34,719	-	63,763
	<u>1,740,324</u>	<u>34,719</u>	<u>-</u>	<u>1,775,043</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
2019				
Operating grants from parent organisation	785,400	-	-	785,400
Special grants from parent organisation	785,425	-	-	785,425
	<u>1,570,825</u>	<u>-</u>	<u>-</u>	<u>1,570,825</u>
Donations	235,333	16,850	-	252,183
	<u>1,806,158</u>	<u>16,850</u>	<u>-</u>	<u>1,823,008</u>

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £
2020				
Tuition Income	936,865	-	-	936,865
Accommodation and Lodging Income	502,646	-	-	502,646
Rental Income	171,880	-	-	171,880
Departmental Income	7,962	-	-	7,962
Other Income	5,104	-	-	5,104
	<u>1,624,457</u>	<u>-</u>	<u>-</u>	<u>1,624,457</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
2019				
Tuition Income	1,233,679	-	-	1,233,679
Accommodation and Lodging Income	957,156	-	-	957,156
Rental Income	260,304	-	-	260,304
Departmental Income	104,387	-	-	104,387
Other Income	41,761	-	-	41,761
	<u>2,597,287</u>	<u>-</u>	<u>-</u>	<u>2,597,287</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

4	Income from Investments				
	2020	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2020
		£	£	£	£
	Bank Interest	728	469		1,197
	2019	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
		£	£	£	£
	Bank Interest	1,823	850	-	2,673
5	Government grants				
	2020	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2020
		£	£	£	£
	Coronavirus Job Retention Scheme	241,728	-	-	241,728
	2019	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
		£	£	£	£
	Coronavirus Job Retention Scheme	-	-	-	-

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

6 Expenditure on raising funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2020	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
	£	£	£	£	£	£	£	£
Advertising	22,954	9,331	-	32,285	33,501	17,572	-	51,073
Recruitment	11,304	-	-	11,304	19,847	-	-	19,847
	<u>34,258</u>	<u>9,331</u>	<u>-</u>	<u>43,589</u>	<u>53,348</u>	<u>17,572</u>	<u>-</u>	<u>70,920</u>

7 Expenditure on charitable activities

	Academic Services	Property Maintenance	Support Cost	Total 2020	Academic Services	Property Maintenance	Support Cost	Total 2019
	£	£	£	£	£	£	£	£
Salaries	1,814,211	-	-	1,814,211	2,074,190	-	-	2,074,190
Social Security	178,304	-	-	178,304	189,229	-	-	189,229
Retirement cost	221,197	-	-	221,197	226,308	-	-	226,308
Redundancy cost	29,665	-	-	29,665	-	-	-	-
Other personnel expense	71,437	-	-	71,437	87,097	-	-	87,097
Direct costs	61,836	-	-	61,836	214,838	-	-	214,838
Administration	-	-	288,429	288,429	-	-	400,788	400,788
Exchange loss	-	-	620	620	-	-	530	530
Buildings	-	384,171	-	384,171	-	499,240	-	499,240
Office	-	-	148,825	148,825	-	-	206,466	206,466
Departmental	18,315	-	-	18,315	62,436	-	-	62,436
Scholarship expenses	-	-	70,737	70,737	-	-	85,564	85,564
Depreciation	-	327,852	-	327,852	-	310,364	-	310,364
Loss on disposal of equipment	-	-	-	-	-	-	-	-
	<u>2,414,965</u>	<u>711,823</u>	<u>488,811</u>	<u>3,613,399</u>	<u>2,854,096</u>	<u>809,604</u>	<u>673,348</u>	<u>4,337,050</u>

Analysis by fund:	Total 2020	Total 2019
	£	£
Unrestricted funds	3,411,524	4,214,177
Restricted funds	106,532	81,207
Endowment funds	95,343	41,666
	<u>3,613,399</u>	<u>4,337,050</u>

8 Other expenditure

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2020	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
	£	£	£	£	£	£	£	£
Governance costs (see note 9)	11,740	-	-	11,740	20,875	-	-	20,875

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

9 Analysis of governance and support costs

	General Support £	Governance £	Total 2020 £	Total 2019 £
Board Expenditure	-	740	740	9,755
Audit	-	11,000	11,000	10,920
Exchange loss	620	-	620	530
Bad debts Expenses	18,841	-	18,841	17,935
Professional fees	80,331	-	80,331	118,043
Interest Expense	6,969	-	6,969	14,773
Other Administrative Expenses	162,288	-	162,288	250,038
Office Supplies & IT expense	87,888	-	87,888	85,743
Telephone and Postage	17,999	-	17,999	21,235
Equipment Maintenance	40,938	-	40,938	99,488
Scholarship Expenses	70,737	-	70,737	65,564
	<u>486,611</u>	<u>11,740</u>	<u>498,351</u>	<u>694,024</u>

10 Total Resources Expended

Summary by expenditure type	Staff Costs £	Other Costs £	Depreciation £	Total 2020 £	Total 2019 £
	Charitable activities	2,243,377	1,042,370	327,652	3,613,399
Costs of generating voluntary income	-	43,589	-	43,589	71,015
Governance costs	-	11,740	-	11,740	20,675
	<u>2,243,377</u>	<u>1,097,699</u>	<u>327,652</u>	<u>3,668,728</u>	<u>4,428,740</u>
Summary by fund type	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	
2020					
Charitable activities	3,411,524	106,532	95,343	3,613,399	
Costs of generating voluntary income	43,589	-	-	43,589	
Governance costs	11,740	-	-	11,740	
	<u>3,466,853</u>	<u>106,532</u>	<u>95,343</u>	<u>3,668,728</u>	
2019					
Charitable activities	4,214,177	81,207	41,666	4,337,050	
Costs of generating voluntary income	70,921	-	-	70,921	
Governance costs	20,675	-	-	20,675	
	<u>4,305,773</u>	<u>81,207</u>	<u>41,666</u>	<u>4,428,646</u>	

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

10 Total Resources Expended (continued)

Included within total expenditure:

	2020	2019
	£	£
Auditors' remuneration	11,000	10,920
Depreciation of tangible fixed assets	<u>327,652</u>	<u>310,364</u>

11 Analysis of costs

Staff costs consist of:	2020	2019
	£	£
Salaries	1,814,211	2,074,190
Social security costs	178,304	189,229
Pension costs	221,197	226,308
Redundancy costs	29,665	-
	<u>2,243,377</u>	<u>2,489,727</u>

The average number of employees during the year was 45 (2019 - 51).

Employee trustees received emoluments during the year amounting to £70,874 (2019 - £56,945)

The number of employees whose emoluments exceeded £60,000 was nil (2019 - nil)

During the year expenses relating to attendance at trustee meetings were paid to 11 trustees and amounted to £740 (2019 - £6,726)

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

12 Short-term investments:

	2020	2019
	£	£
Market value as at 1 January	243,452	242,602
Interest re-invested	469	850
Market value at 31 December	<u>243,921</u>	<u>243,452</u>
Investments consist of the following:	£	£
Bank term deposits in excess of three months	<u>243,921</u>	<u>243,452</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

13 Tangible Fixed Assets

	Functional Land and Buildings £	Other Land and Buildings £	Fixtures and Equipment £	Total £
Cost				
At 31 December 2019	4,447,278	2,672,943	2,133,602	9,253,824
Additions	541	-	62,142	62,682
Disposals	-	-	-	-
At 31 December 2020	<u>4,447,819</u>	<u>2,672,943</u>	<u>2,195,744</u>	<u>9,316,507</u>
Depreciation				
At 31 December 2019	1,650,386	635,875	815,359	3,101,620
Charge for the period	95,343	80,632	151,677	327,652
Eliminated on disposal	-	-	-	-
At 31 December 2020	<u>1,745,729</u>	<u>716,507</u>	<u>967,036</u>	<u>3,429,272</u>
Net Book Value				
At 31 December 2020	<u>2,702,090</u>	<u>1,956,436</u>	<u>1,228,708</u>	<u>5,887,235</u>
At 31 December 2019	<u>2,796,892</u>	<u>2,037,068</u>	<u>1,318,243</u>	<u>6,152,204</u>

Land and Buildings

Carrying Value

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

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

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

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

13 Tangible Fixed Assets (Continued)

Basis of Title

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

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

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

Legal Charge

By a charge dated 13th March 2009, some of the Functional Properties are held by the Seventh-day Adventist Retirement Plan as security for all present and future obligations and liabilities of Newbold College and others to make payments to the scheme. The participation of Newbold College in respect of the scheme is disclosed in note 18. The property in question has not been re-valued in these accounts but is carried in accordance with the companies accounting policies at £2,492,241 representing cost less attributable depreciation. The property was professionally valued by Chartered Surveyors Gerald Eve LLP on 2nd March 2017 at £11,060,000. As referred to in note 18, some of the larger institutional members of the scheme have agreed to make extra contributions which in the opinion of the pension scheme trustees will gradually reduce and eventually eliminate the deficit.

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

14 Debtors

	2020 £	2019 £
Amounts due within one year:		
Trade debtors	95,139	166,061
Amounts due from parent charity	5,609,286	5,320,514
Amounts due from other related charities	24,290	65,237
Amounts due from employees	10,841	2,704
Loans to employees and others	-	1,763
Prepaid expenses	114,792	130,436
Other debtors	5,658	6,939
	<u>5,860,006</u>	<u>5,693,654</u>

15 Creditors

	2020 £	2019 £
Amounts falling due within one year:		
Trade creditors	54,925	76,364
Payments in advance by students	183,549	255,358
Amounts due to other related entities	61,660	45,338
Amounts due to employees	2,038	140
Other taxes and social security costs	515	60,700
Accrued expenses and deferred income	183,589	188,004
Other amounts payable	73,748	75,383
Agency and trust funds	87,897	102,537
	<u>647,921</u>	<u>803,824</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

16 Funds analysis	Balance at 1 January 2020 £	Movement in Resources			Balance at 31 December 2020 £
		Incoming £	Outgoing £	Transfers £	
Endowment funds					
Scholarship endowment funds	242,199	480	-	-	242,679
Property endowment funds	2,696,646	-	(95,343)	181,419	2,782,722
Total endowment funds	<u>2,938,845</u>	<u>480</u>	<u>(95,343)</u>	<u>181,419</u>	<u>3,025,401</u>
Restricted funds					
Scholarship	880,369	9,153	(51,741)	(271)	837,510
Facilities	205,649	26,013	(33,938)	(17,572)	180,152
Health programmes	36,337	-	-	-	36,337
Other Restricted Funds	169,843	21	(20,853)	180,552	329,563
Total restricted funds	<u>1,292,198</u>	<u>35,187</u>	<u>(106,532)</u>	<u>162,709</u>	<u>1,383,562</u>
Unrestricted funds					
Designated funds					
Property funds:					
Land & buildings	2,037,068	-	(80,632)	-	1,956,436
Plant & Equipment	1,418,490	-	(151,677)	62,142	1,328,955
Other designated funds	441,460	1,210	(19,282)	(298,505)	124,883
	<u>3,897,018</u>	<u>1,210</u>	<u>(251,591)</u>	<u>(236,363)</u>	<u>3,410,274</u>
General funds					
General funds	3,764,801	3,605,548	(3,215,263)	(107,764)	4,047,322
	<u>3,764,801</u>	<u>3,605,548</u>	<u>(3,215,263)</u>	<u>(107,764)</u>	<u>4,047,322</u>
Total unrestricted funds	<u>7,661,819</u>	<u>3,606,758</u>	<u>(3,466,854)</u>	<u>(344,127)</u>	<u>7,457,596</u>
Total funds	<u>11,892,862</u>	<u>3,642,425</u>	<u>(3,668,729)</u>	<u>-</u>	<u>11,866,559</u>

Newbold College
Notes to the Financial Statements
For the year ended 31 December 2020

17 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,104,513	-	2,782,722	5,887,235
Current assets	5,001,004	1,383,562	242,679	6,627,245
Creditors due within one year	(647,921)	-	-	(647,921)
	<u>7,457,596</u>	<u>1,383,562</u>	<u>3,025,401</u>	<u>11,866,559</u>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	3,355,311	-	2,796,892	6,152,204
Current assets	5,010,085	1,292,198	242,199	6,544,482
Creditors due within one year	(803,824)	-	-	(803,824)
	<u>7,561,572</u>	<u>1,292,198</u>	<u>3,039,091</u>	<u>11,892,862</u>

18 Pension Commitments

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

Newbold College also participates in a group defined contribution pension scheme and in several foreign pension schemes in respect of its foreign domiciled employees. The company's liability in respect of the foreign pension schemes is limited to the contributions assessed by these pension schemes. They are therefore accounted for as defined contribution schemes in these accounts. Contributions payable during the year amounted to £23,378 (2019: £27,285).

The Charity previously participated in a defined benefit pension scheme of the British Union Conference of Seventh Day Adventists. This scheme closed to service after 31 December 2013. Newbold College does not contribute to the recovery of the deficit for the plan but some of its functional properties are held against it as disclosed in note 14.

19 Related Party Transactions

Transactions with Governors are disclosed in Note 11. The following are transactions with the connected entities as described in Notes 20 and 21.

	General Conference £	British Union Conference £	Total 2020 £	Total 2019 £
Operating grants received	909,806	-	909,806	785,400
Special grants received	801,474	-	801,474	785,425
Amounts due by charity < 1 year	-	-	-	-
Amounts due to charity < 1 year	<u>5,609,287</u>	<u>21,283</u>	<u>5,630,570</u>	<u>5,320,514</u>

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20 Controlling Party

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

21 Other Connected Entities

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

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

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

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

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

The financial statements have been prepared assuming that the College will continue as a going concern.

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

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

23 Liabilities And Capital Commitments in respect of Land & Buildings

Newbold College accepted a liability to restore and manage the Moor Close Grade II listed gardens, arising as a consequence of a Section 106 agreement dated 14th August 2001 between The Seventh day Adventist Association Ltd and Bracknell Forest Borough Council, by virtue of granting an indemnity of the same date to The Seventh-day Adventist Association Ltd. The costs were then estimated at £500,000.

The Charity believes that the cost associated with the work will be considerably higher than the original estimated cost.

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23 Liabilities And Capital Commitments in respect of Land & Buildings (continued)

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

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