

REGISTERED CHARITY NUMBER: 309672

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020
FOR
WESTMINSTER COLLEGE OXFORD TRUST**

Ashdown Hurrey Auditors Limited
Statutory Auditors
20 Havelock Road
Hastings
East Sussex
TN34 1BP

WESTMINSTER COLLEGE OXFORD TRUST

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FOR THE YEAR ENDED 31 AUGUST 2020**

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WESTMINSTER COLLEGE OXFORD TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEE	Westminster College Oxford Trust Limited
CUSTODIAN TRUSTEES	Trustees for Methodist Church Purposes
DIRECTORS OF TRUSTEE COMPANY	Revd Canon Sir R Waller (Chairman) Appointed 01/09/2019 Dr C J Marshall Dr C Norris Revd Canon Dr M Wellings Prof B J Clack Mrs A Bolton Mrs C M Lines Revd Dr J R Hustler
PRINCIPAL ADDRESS	c/o 20 Havelock Road Hastings East Sussex TN34 1BP
REGISTERED CHARITY NUMBER	309672
AUDITORS	Ashdown Hurrey Auditors Limited Statutory Auditors 20 Havelock Road Hastings East Sussex TN34 1BP
SOLICITORS	Pothecary Witham Weld 70 St George's Square London SW1V 3RD
BANKERS	Central Finance Board of the Methodist Church 9 Bonhill Street London EC2A 4PE HSBC The Peak 333 Vauxhall Bridge Road Victoria London SW1V 1EJ

WESTMINSTER COLLEGE OXFORD TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustee presents its report with the financial statements of the Charity for the year ended 31 August 2020.

The Trustee has adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' which is also in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and activities of the trust

The Charity's trust deed requires that the trust property shall be used and occupied for the purposes of promoting and advancing education and in particular but not by way of limitation the training of teachers and the advancement of further and higher education.

Since April 2000, the objects of the Charity have been achieved through a lease and other agreements with Oxford Brookes University. Under these agreements, the Charity's main charitable asset, the Harcourt Hill Estate, was used by Oxford Brookes University for educational purposes in return for a peppercorn rent and an undertaking by the University to resource and maintain specified Church-related and educational activities. These included the provision of chaplaincy and the management of various collections owned by the Charity or other parties.

On 26 July 2017 a new 99-year lease for the Harcourt Hill Estate was signed with the University. Under this lease, the Charity received an initial premium of £3,750,000 and annual rental income of at least £420,000 which is available to fund educational activities either at Oxford Brookes University or elsewhere.

The main activity of the Charity is to make grants which promote or advance education and to monitor the purposes for which those grants are used. Until the new lease was signed in July 2017, the Charity's key activity was ensuring that the undertakings made as part of the old lease and associated arrangements were complied with and respected.

The Charity also holds endowment funds for the benefit of students studying at Oxford Brookes University, which are allocated in accordance with the appropriate terms of reference.

Public benefit

The Trustee has had regard to the Charity Commission's guidance on public benefit.

The educational activities advanced by the Charity represent a substantial public benefit. This is achieved through academic activities such as the initial training and continuing professional development of teachers and teaching assistants, the promotion of research and dissemination of its results. All may enjoy the open spaces of the Harcourt Hill Estate, and the Leisure Centre and Sports Facilities are accessible to local schools and organisations and to the general public, through a membership scheme. The specialist archives and art collections loaned to the university are open to the public by appointment.

Management and governance arrangements

The Charity is governed by its Trust Deed drawn up and dated 7 March 1955 as amended, most recently on 5 November 2001. The Trustee is Westminster College Oxford Trust Limited, which is governed by Articles of Association as amended on 2 October 2013. The directors are appointed by the Methodist Church, normally for an initial term of three years with the possibility of re-appointment for a further three years, and beyond that in exceptional circumstances. Two such exceptional re-appointments were made by the Methodist Conference in 2018 - those of Dr Clifford Marshall and the Revd Dr Martin Wellings. The directors may also co-opt further members of the Board. Directors do not receive any formal training but are selected based on their relevant experience and knowledge. New directors receive an informal induction through meetings with existing Board members and the provision of appropriate background information.

The Charity has no employees and all key decisions are made by the Board. Board members are in regular electronic contact and there are at least three formal Board meetings each year, for which detailed papers are prepared and distributed in advance. There are annual reports from the Dean of Faculty, the Head of Education, the Chaplain and the senior staff of the Oxford Centre for Methodism and Church History, whose work is currently supported by funding from the Trust. The Board continues to engage with the University in its ongoing use and possible development of the campus.

The Trustee provides an annual governance report to the Methodist Council. It has retained operational links with the Church throughout the year through the nominee of the Secretary of the Methodist Conference who is an ex-officio member of the Board of Directors.

The Board of Directors (the Trustee) uses the services member of the Connexional Team at Methodist Church House to convene and service meetings of the directors, and to conduct business as directed by the Trustee between meetings.

WESTMINSTER COLLEGE OXFORD TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

ACHIEVEMENT AND PERFORMANCE

In common with all educational charities, the global pandemic has been a worrying factor for the Trust since it took hold in March 2020. Whilst none of the activities of the Charity have been directly affected, the operation of Oxford Brookes University has been adapted to cope with lockdown restrictions, and likewise the Centre for Methodism and Church History has changed its working practices.

During the year ended 31 August 2020, the Charity:

- made short and medium-term grants to the university for the continuing provision of charitable activities while a longer term vision is developed; and
- started work on a long-term vision for the involvement of the Charity in the life of the university and/or more broadly in the field of education
- made a grant to Methodist Academies and Schools Trust in support of the work it is doing in the Methodist schools' sector
- offered a grant to Wesley Memorial Methodist Church Oxford to enable its site to be developed more fully for educational purposes
- engaged with other Methodist bodies operating in the field of education to offer more coordinated and sustainable support for the church's educational mission.

The key activities supported by the Charity at Oxford Brookes University in the year ended 31 August 2020 were:

- The Centre for Methodism and Church History which promotes scholarly research into Methodism and related subjects, together with academic collaboration and exchange, nationally and internationally. The Centre is endeavouring to bring its collections to the attention of a wider academic and scholarly community, and seeking new ways of enriching provision.
- The provision of Chaplaincy services.
- The provision of project grants to the School of Education

The Charity's plans for future periods include:

- continued engagement with the University as to the development of its estate strategy and its implications for the Westminster campus.
- work with other Methodist educational bodies upon the governance, financial and monitoring arrangements with the Methodist Academies and Schools Trust (MAST) in support of its five-year plan.
- strategic consideration of the heritage aspects of the trust in the longer term.

In discharging its responsibility to administer the endowment funds of the former Westminster College, the Charity has continued to seek to ensure that the funds are invested well and that the bursaries are awarded where there is real need and merit - in accordance with the wishes of those who made the original scholarship bequests.

FINANCIAL REVIEW

For the year under review, incoming resources related to investment income and rent (including the release of an element of the lease premium received). In addition, the Charity benefitted from gains in its general and endowment equity investments. Outgoing resources related to grants made from the Charity's restricted and unrestricted funds, costs associated with the lease renewal, management fees paid to the Trustee and investment management expenses.

RESERVES POLICY

The Charity has sought to maintain such a level of reserves so as to ensure its future existence and meet its administrative expenses out of the investment income. Under the new lease, the rental payments are sufficient to meet expenses and to make grants and the Charity has also received a significant sum in the form of the lease premium. The Trust's policy is to retain in reserves sufficient funds to meet its obligations for any three months of the year. In the year ended 31 August 2020, reserves comfortably exceeded this level. The Trustee is confident that the current level of reserves is adequate and at a higher level than will be retained in the longer term.

The free reserves position at the year end is (£485,765), which represents the unrestricted net current assets/liabilities. In addition, the Charity has access on notice of more than one month to its unrestricted investments of £3,469,013, meaning the free reserves deficit is not considered an issue.

INVESTMENT POLICY

Following the strategic review of investment policy, the overall allocation for the general funds is currently as follows:

	<u>Suggested range</u>
Equity	60 - 80%
Fixed Interest	5 - 25%
Property	5 - 25%
Cash	0 - 10%

WESTMINSTER COLLEGE OXFORD TRUST

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

INVESTMENT POLICY CONTINUED

The Trustee continues to monitor investment of its endowment and restricted funds and invests in equity funds that element of restricted income which it does not expect to be spent within the next one to two years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Approved by order of the board of trustees on2/3/21..... and signed on its behalf by:



.....
Mrs A Bolton

For and on behalf of Westminster College Oxford Trust Limited

WESTMINSTER COLLEGE OXFORD TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF WESTMINSTER COLLEGE OXFORD TRUST

Opinion

We have audited the financial statements of Westminster College Oxford Trust (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WESTMINSTER COLLEGE OXFORD TRUST**

Responsibilities of trustees

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ashdown Hurrey Auditors Limited
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
20 Havelock Road
Hastings
East Sussex
TN34 1BP

Date: 11-05-21

WESTMINSTER COLLEGE OXFORD TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted fund £	Restricted funds £	Endowment fund £	31.8.20 Total funds £	31.8.19 Total funds £
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Grants from Institutions	3	7,500	-	-	7,500	-
Investment and rental income	2	<u>552,007</u>	<u>7,841</u>	-	<u>559,848</u>	<u>539,618</u>
Total		559,507	7,841	-	567,348	539,618
EXPENDITURE ON						
Raising funds						
Investment management costs	4	<u>8,475</u>	<u>591</u>	-	<u>9,066</u>	<u>9,365</u>
		8,475	591	-	9,066	9,365
Charitable activities						
Grants to Individuals	5	-	3,328	-	3,328	2,000
Grants to institutions		691,850	-	-	691,850	990,789
Other		<u>11,650</u>	<u>1,791</u>	-	<u>12,850</u>	<u>26,583</u>
Total		711,975	5,119	-	717,094	1,028,737
Net gains/(losses) on investments		<u>3,235</u>	-	-	<u>3,235</u>	<u>(1,485)</u>
NET INCOME/(EXPENDITURE)		(149,233)	2,722	-	(146,511)	(490,604)
Other recognised gains/(losses)						
Gains/(losses) on revaluation of fixed assets		<u>631,012</u>	<u>(4,104)</u>	<u>(23,860)</u>	<u>603,048</u>	<u>101,055</u>
Net movement in funds		481,779	(1,382)	(23,860)	456,537	(389,549)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>10,002,052</u>	<u>63,690</u>	<u>245,833</u>	<u>10,311,575</u>	<u>10,701,124</u>
TOTAL FUNDS CARRIED FORWARD		<u>10,483,831</u>	<u>62,308</u>	<u>221,973</u>	<u>10,768,112</u>	<u>10,311,575</u>

The notes form part of these financial statements

WESTMINSTER COLLEGE OXFORD TRUST

**STATEMENT OF FINANCIAL POSITION
AT 31 AUGUST 2020**

	Notes	Unrestricted fund £	Restricted funds £	Endowment fund £	31.8.20 Total funds £	31.8.19 Total funds £
FIXED ASSETS						
Tangible assets	10	51,300	-	-	51,300	51,300
Investments						
Investments	11	3,469,013	38,193	221,973	3,729,179	3,829,066
Investment property	12	<u>11,750,000</u>	<u>-</u>	<u>-</u>	<u>11,750,000</u>	<u>11,000,000</u>
		15,270,313	38,193	221,973	15,530,479	14,880,366
CURRENT ASSETS						
Debtors	13	31,340	(5,818)	-	25,522	152,489
Cash at bank		<u>738,406</u>	<u>30,933</u>	<u>-</u>	<u>769,339</u>	<u>722,266</u>
		769,746	25,115	-	794,861	874,755
CREDITORS						
Amounts falling due within one year	14	<u>(1,255,511)</u>	<u>(1,000)</u>	<u>-</u>	<u>(1,256,511)</u>	<u>(629,100)</u>
NET CURRENT ASSETS/(LIABILITIES)						
		<u>(485,765)</u>	<u>24,115</u>	<u>-</u>	<u>(461,650)</u>	<u>245,655</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		14,784,548	62,308	221,973	15,068,829	15,126,021
ACCRUALS AND DEFERRED INCOME						
	15	<u>(4,300,717)</u>	<u>-</u>	<u>-</u>	<u>(4,300,717)</u>	<u>(4,814,446)</u>
NET ASSETS						
		<u>10,483,831</u>	<u>62,308</u>	<u>221,973</u>	<u>10,768,112</u>	<u>10,311,575</u>
FUNDS						
Unrestricted funds	16				10,483,831	10,002,052
Restricted funds:						
Dobson Theology Fund					5,357	6,736
Speight Undergraduate Fund					22,625	23,374
Postgraduate Bursary Fund					<u>34,326</u>	<u>33,580</u>
					62,308	63,690
Endowment funds					<u>221,973</u>	<u>245,833</u>
TOTAL FUNDS						
					<u>10,768,112</u>	<u>10,311,575</u>

The financial statements were approved by the Board of Trustees on 2/3/21 and were signed on its behalf by:



Mrs A Bolton
For and on behalf of Westminster College Oxford Trust Limited

The notes form part of these financial statements

WESTMINSTER COLLEGE OXFORD TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	31.8.20 £	31.8.19 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(468,945)</u>	<u>(649,244)</u>
Net cash provided by (used in) operating activities		<u>(468,945)</u>	<u>(649,244)</u>
Cash flows from Investing activities:			
Purchase of fixed asset Investments		(297,867)	(3,472,741)
Sale of fixed asset investments		254,037	453,627
Rents received		459,879	457,879
Interest received		6,333	14,182
Dividends received		<u>93,636</u>	<u>67,557</u>
Net cash provided by (used in) investing activities		<u>516,018</u>	<u>(2,479,496)</u>
Change in cash and cash equivalents in the reporting period		47,073	(3,128,740)
Cash and cash equivalents at the beginning of the reporting period		<u>722,266</u>	<u>3,851,006</u>
Cash and cash equivalents at the end of the reporting period		<u><u>769,339</u></u>	<u><u>722,266</u></u>

The notes form part of these financial statements

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.20	31.8.19
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(146,511)	(490,604)
Adjustments for:		
(Gain)/losses on investments	(3,235)	1,485
Interest received	(6,333)	(14,182)
Dividends received	(93,636)	(67,557)
Rents received	(459,879)	(457,879)
Decrease/(Increase) in debtors	126,967	(29,568)
Increase in creditors	<u>113,682</u>	<u>409,061</u>
Net cash provided by (used in) operating activities	<u>(468,945)</u>	<u>(649,244)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19	Cash flow	At 31.8.20
	£	£	£
Net cash			
Cash at bank	722,266	47,073	769,339
	<hr/>	<hr/>	<hr/>
Total	<u>722,266</u>	<u>47,073</u>	<u>769,339</u>

WESTMINSTER COLLEGE OXFORD TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

In preparing the financial statements, the trustees are required to make an assessment of the ability of the charity to continue as a going concern. The trustees have prepared a cash flow forecast for the charity which covers the 12 month period from the date of signing these financial statements. Against the backdrop of the COVID-19 Pandemic a "reverse stress" test has been applied to the forecasts, seeking to establish the level of liquidity headroom the charity is expected to have during this 12 month going concern period.

On the basis of these forecasts and the fact that the charity has substantial net assets, the trustees are confident that the charity has adequate resources to continue in operational existence and to meet its liabilities as they fall due for the foreseeable future. As a result of the above, the trustees have concluded that it remains appropriate to adopt a going concern basis of preparation in these financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Investments

Investments in managed funds are valued at the year-end bid-price value.

Investments in works of art are valued at market values, determined on the basis of periodic external valuations. In the intervening years between valuations, the Trustee assesses whether the basis for the valuation remains reasonable.

Investment property

Investment property is shown at most recent valuation on the basis of open market value. Any gains/losses arising from changes in market value are recognised on the Statement of Financial Activities.

A full external valuation is performed at least every five years. The Trustee considers the reasonableness of this valuation in the intervening years.

No depreciation is provided in respect of freehold land and buildings held for investment purposes.

Taxation

The trust is a registered charity and is therefore exempt from income tax and corporation tax on most of its activities. The charity receives no similar exemption in respect of value added tax.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES - continued

Endowment Funds

Deposits and managed fund investments representing the funds that have been invested through the charity have been allocated the appropriate portion of the interest and other investment income earned by the charity. The income received on these endowments is considered restricted funds for expenditure, in line with the original donor's wishes.

Use of restricted funds

An appropriate proportion of the administration costs based on the proportion of the secretary's time spent administering these funds is charged to restricted funds.

Recognition of income

All income from deposits, sale of assets and other sources is credited to the Statement of Financial Activities on an accruals basis. Distributions from pooled investment vehicles are recognised when received.

Rental income from assets leased under operating leases is recognised on a straight-line basis over the term of the lease. Lease premiums received on the grant of operating leases are recognised on a straight-line basis over the lease term.

Grant income is recognised in the financial statements when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

Judgements and estimates

In categorising lease as finance leases or operating leases, the Trustee makes judgements as to whether significant risks and rewards of ownership have transferred to the lessee, where the Group is the lessor. This is relevant to the lease between The Trust and Oxford Brookes University (OBU) as shown in Note 19, which has been classified as an operating lease.

The key judgement in the accounts relates to the valuation of the investment property which is the subject of the lease with OBU. Details are provided in Note 12.

2. INVESTMENT AND RENTAL INCOME

	Unrestricted funds £	Restricted funds £	Endowment funds £	31.8.20 Total funds £	31.8.19 Total funds £
Rents received	459,879	-	-	459,879	457,879
Income receivable from Investments in managed funds	86,002	7,634	-	93,636	67,557
Deposit account interest	<u>6,126</u>	<u>207</u>	<u>-</u>	<u>6,333</u>	<u>14,182</u>
	<u>552,007</u>	<u>7,841</u>	<u>-</u>	<u>559,848</u>	<u>539,618</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.8.20 £	31.8.19 £
Grants	Grants from Institutions	<u>7,500</u>	<u>-</u>
Grants received, included in the above, are as follows:			
		31.8.20 £	31.8.19 £
Other grants		<u>7,500</u>	<u>-</u>

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

4. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds	Restricted funds	Endowment funds	31.8.20 Total funds	31.8.19 Total funds
	£	£	£	£	£
Support costs	<u>8,475</u>	<u>591</u>	<u>-</u>	<u>9,066</u>	<u>9,365</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 6)	Totals
	£	£	£
Grants to institutions	39,772	652,078	691,850
Grants to Individuals	<u>-</u>	<u>3,328</u>	<u>3,328</u>
	<u>39,772</u>	<u>655,406</u>	<u>695,178</u>

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

6. GRANTS PAYABLE

	31.8.20	31.8.19
	£	£
Grants to Individuals	3,328	2,000
Grants to Institutions	<u>652,078</u>	<u>952,263</u>
	<u>655,406</u>	<u>954,263</u>

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Investment management costs	9,066	-	9,066
Other resources expended	<u>-</u>	<u>12,850</u>	<u>12,850</u>
	<u>9,066</u>	<u>12,850</u>	<u>21,916</u>

The sole Trustee of the charity, Westminster College Oxford Trust Limited, invoiced a management charge to the charity of £1,600 (2019: £19,655) in respect of expenses incurred in administering the charity.

Support costs, included in the above, are as follows:

	Investment management costs	Other resources expended	31.8.20 Total activities	31.8.19 Total activities
	£	£	£	£
Bank charges	9,066	-	9,066	9,095
Legal and professional fees	-	3,000	3,000	270
Auditors' remuneration	-	5,700	5,700	5,100
Auditors' remuneration for non audit work	-	2,550	2,550	1,828
Management fees	<u>-</u>	<u>1,600</u>	<u>1,600</u>	<u>19,655</u>
	<u>9,066</u>	<u>12,850</u>	<u>21,916</u>	<u>35,948</u>

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

Trustees' expenses

Six directors of the Trustee company have reclaimed travel expenses during the financial year of £166 (2019: £831). This has been administered through Westminster College Oxford Trust Limited and included in the invoiced management charge to the charity.

9. STAFF COSTS

	31.8.20	31.8.19
	£	£
Stipend - Methodist Chaplaincy at Oxford Brookes University	<u>39,772</u>	<u>38,526</u>

10. TANGIBLE FIXED ASSETS

	Works of Art £
COST	
At 1 September 2019 and 31 August 2020	<u>51,300</u>
 NET BOOK VALUE	
At 31 August 2020	<u>51,300</u>
At 31 August 2019	<u>51,300</u>

The charity continues to own a number of works of art donated over the years. These are on permanent loan to Oxford Brookes University. A valuation by Mallams, dated 16 July 2018, valued these assets at £51,300. The Trustee has considered the valuation and deems it to remain reasonable at 31 August 2020.

No works of art were acquired or disposed of during the financial year.

11. FIXED ASSET INVESTMENTS

Analysis of fixed assets investments are as follows:-

UNRESTRICTED FUNDS	Overseas Investment Fund £	UK Equity Fund Units £	Gilt Fund £	Corporate Bond Fund £
VALUATION				
At 1 September 2019	1,227,957	1,365,389	61,931	286,042
Additions in year	82,013	130,030	11,001	51,003
Disposals in year	(56,007)	(61,024)	(34,004)	(76,002)
Net gain/loss on reevaluation or disposal	<u>75,197</u>	<u>(162,340)</u>	<u>694</u>	<u>1,936</u>
At 31 August 2020	<u>1,329,160</u>	<u>1,272,055</u>	<u>39,622</u>	<u>262,979</u>

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

11. FIXED ASSET INVESTMENTS - continued

UNRESTRICTED FUNDS - Continued	Property Investment Fund £	Total £
VALUATION		
At 1 September 2019	599,937	3,541,256
Additions in year	23,500	297,547
Disposals in year	(27,000)	(254,037)
Net gain/loss on revaluation or disposal	<u>(31,239)</u>	<u>(115,752)</u>
At 31 August 2020	<u>565,198</u>	<u>3,469,013</u>

ENDOWMENT FUNDS Investment - Equity Funds	Speight Undergraduate Fund £	Postgraduate Bursary Fund £	Dobson Theology Fund £	Total £
VALUATION				
At 1 September 2019	118,537	97,856	29,440	245,833
Additions in year	-	-	-	-
Disposals in year	-	-	-	-
Net gain/loss on revaluation or disposal	<u>(11,505)</u>	<u>(9,498)</u>	<u>(2,857)</u>	<u>(23,860)</u>
At 31 August 2020	<u>107,032</u>	<u>88,358</u>	<u>26,583</u>	<u>221,973</u>

RESTRICTED FUNDS Investment - Equity Funds	Speight Undergraduate Fund £	Postgraduate Bursary Fund £	Dobson Theology Fund £	Total £
VALUATION				
At 1 September 2019	15,296	23,895	2,787	41,978
Additions in year	267	-	52	320
Disposals in year	-	-	-	-
Net gain/loss on revaluation or disposal	<u>(1,511)</u>	<u>(2,319)</u>	<u>(274)</u>	<u>(4,104)</u>
At 31 August 2020	14,053	21,576	2,565	38,193
Cash less current liabilities				
At 31 August 2020	<u>8,572</u>	<u>12,750</u>	<u>2,792</u>	<u>24,115</u>
Total Restricted Funds	<u>22,625</u>	<u>34,326</u>	<u>5,357</u>	<u>62,308</u>

WESTMINSTER COLLEGE OXFORD TRUST**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020****12. INVESTMENT PROPERTY**

	£
FAIR VALUE	
At 1 September 2019	11,000,000
Revaluation	<u>750,000</u>
At 31 August 2020	<u>11,750,000</u>
NET BOOK VALUE	
At 31 August 2020	<u>11,750,000</u>
At 31 August 2019	<u>11,000,000</u>

The historic cost of the re-valued freehold assets is £508,031.

The Trustee for Methodist Church Purposes as custodian holds the land and buildings in trust for the primary purpose of training teachers. The Trustee for Methodist Church Purposes reserves rights over transactions relating to trust property.

Following a merger that took place on 6 April 2000, the majority of the assets were transferred to Oxford Brookes University and a lease was granted between Oxford Brookes University and the Trustee for Methodist Church Purposes in respect of the land and buildings.

A professional valuation was performed as at 15 July 2020. The reversionary interest was valued by Andrew Lockhart FRICS MCI Arb of VSL and Partners, Kidlington, Oxfordshire at £11,750,000 on the basis of open market value.

On 26 July 2017, a full repairing lease with an effective date of 1 August 2017 was granted to Oxford Brookes University in respect of land and buildings. A lease premium of £3,750,000 was received by Westminster College Oxford Trust on 26 July 2017. The premium has been deferred and will be recognised over the life of the lease.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.20	31.8.19
	£	£
Amount owed from connected body corporate	522	149,181
Prepayments	<u>25,000</u>	<u>3,308</u>
	<u>25,522</u>	<u>152,489</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.20	31.8.19
	£	£
Trade creditors	28,173	54,523
Deferred Income	70,098	70,098
Accrued expenses	<u>1,158,240</u>	<u>504,479</u>
	<u>1,256,511</u>	<u>629,100</u>

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

15. ACCRUALS AND DEFERRED INCOME

	31.8.20	31.8.19
	£	£
Deferred Income relating to lease premium: 2-5 years	151,515	151,515
Accrued expenses: 2-5 years	<u>705,389</u>	<u>1,181,239</u>
	<u>856,904</u>	<u>1,332,754</u>
Deferred Income relating to the lease premium: more than 5 years	<u>3,443,813</u>	<u>3,481,692</u>
	<u>4,300,717</u>	<u>4,814,446</u>

16. MOVEMENT IN FUNDS

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
Unrestricted Funds	10,002,052	481,779	10,483,831
Restricted funds			
Dobson Theology Fund	6,736	(1,379)	5,357
Speight Undergraduate Fund	23,374	(749)	22,625
Postgraduate Bursary Fund	<u>33,580</u>	<u>746</u>	<u>34,326</u>
	63,690	(1,382)	62,308
Endowment funds			
Endowment funds	245,833	(23,860)	221,973
TOTAL FUNDS	<u>10,311,575</u>	<u>456,537</u>	<u>10,768,112</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
Unrestricted Funds	559,507	(711,975)	634,247	481,779
Restricted funds				
Dobson Theology Fund	889	(1,994)	(274)	(1,379)
Speight Undergraduate Fund	3,640	(2,878)	(1,511)	(749)
Postgraduate Bursary Fund	<u>3,312</u>	<u>(247)</u>	<u>(2,319)</u>	<u>746</u>
	7,841	(5,119)	(4,104)	(1,382)
Endowment funds				
Endowment funds	-	-	(23,860)	(23,860)
TOTAL FUNDS	<u>567,348</u>	<u>(717,094)</u>	<u>606,283</u>	<u>456,537</u>

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
Unrestricted Funds			
Unrestricted Funds	10,392,085	(390,033)	10,002,052
Restricted Funds			
Dobson Theology Fund	5,855	881	6,736
Speight Undergraduate Fund	22,417	957	23,374
Postgraduate Bursary Fund	<u>31,116</u>	<u>2,464</u>	<u>33,580</u>
	59,388	4,302	63,690
Endowment funds			
Endowment funds	249,651	(3,818)	245,833
TOTAL FUNDS	<u>10,701,124</u>	<u>(389,549)</u>	<u>10,311,575</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Funds	530,893	(1,024,940)	104,014	(390,033)
Restricted funds				
Dobson Theology Fund	985	(65)	(39)	881
Speight Undergraduate Fund	4,055	(2,882)	(216)	957
Postgraduate Bursary Fund	<u>3,685</u>	<u>(850)</u>	<u>(371)</u>	<u>2,464</u>
	8,725	(3,797)	(626)	4,302
Endowment funds				
Endowment funds	-	-	(3,818)	(3,818)
TOTAL FUNDS	<u>539,618</u>	<u>(1,028,737)</u>	<u>99,570</u>	<u>(389,549)</u>

WESTMINSTER COLLEGE OXFORD TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.18 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
Unrestricted Funds	10,392,085	91,746	10,483,831
Restricted funds			
Dobson Theology Fund	5,855	(498)	5,357
Speight Undergraduate Fund	22,417	208	22,625
Postgraduate Bursary Fund	<u>31,116</u>	<u>3,210</u>	<u>34,326</u>
	59,388	2,920	62,308
Endowment			
Endowment funds	<u>249,651</u>	<u>(27,678)</u>	<u>221,973</u>
TOTAL FUNDS	<u>10,701,124</u>	<u>66,988</u>	<u>10,768,112</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Funds	1,090,400	(1,736,915)	738,261	91,746
Restricted funds				
Dobson Theology Fund	1,874	(2,059)	(313)	(498)
Speight Undergraduate Fund	7,695	(5,760)	(1,727)	208
Postgraduate Bursary Fund	<u>6,997</u>	<u>(1,097)</u>	<u>(2,690)</u>	<u>3,210</u>
	16,566	(8,916)	(4,730)	2,920
Endowment funds				
Endowment funds	-	-	<u>(27,678)</u>	<u>(27,678)</u>
TOTAL FUNDS	<u>1,106,966</u>	<u>(1,745,831)</u>	<u>705,853</u>	<u>66,988</u>

17. RELATED PARTY DISCLOSURES

At the balance sheet date, the balance owed to the Charity by its corporate Trustee, Westminster College Oxford Trust Limited amounted to £6,340 (2019: £151,471). This is included in debtors and relates to unrestricted funds only. The loan is interest free and repayable on demand.

At the balance sheet date, the balance owed by the Charity to its corporate Trustee, Westminster College Oxford Trust Limited amounted to £5,818 (2019: £2,290). This is included in debtors and relates to restricted funds only. The loan is interest free and repayable on demand.

During the accounting period the charity received grant income of £7,500 from the Farmington Institute who the Chair of Directors of Westminster College Oxford Trust Ltd; Revd Canon Sir R Waller is also a Director.

Two Directors of Westminster College Oxford Trust Ltd are also members of the project committee of Wesley Memorial Church, Oxford who the charity committed to providing grant funding totalling £663,451 during the accounting period.

WESTMINSTER COLLEGE OXFORD TRUST**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020****18. GRANTS PAID DURING THE YEAR**

The following grants were paid to individuals during the year:-

RESTRICTED FUNDS	31.8.20	31.8.19
	£	£
Speight Undergraduate Fund	2,000	2,000
Dobson Theology Fund	<u>1,328</u>	<u>-</u>
	<u>3,328</u>	<u>2,000</u>

The following grants were issued to institutions during the year:-

UNRESTRICTED FUNDS	31.8.20	31.8.19
	£	£
Oxford Brookes University - Oxford Centre for Methodism and Church History	-	(9,875)
Methodist Chaplaincy at Oxford Brookes University	39,772	38,526
Methodist Academies and Schools Trust	-	900,000
Methodist Chaplaincy at Oxford Brookes University - Accommodation	(11,917)	-
Education Support	-	62,138
Wesley Memorial Grant	663,451	-
Art Grant	<u>544</u>	<u>-</u>
	<u>691,850</u>	<u>990,789</u>

19. LEASE TO OXFORD BROOKES UNIVERSITY

On 26 July 2017, a full repairing lease with an effective date of 1 August 2017 was granted to Oxford Brookes University in respect of land and buildings. A lease premium of £3,750,000 was received by Westminster College Oxford Trust on 26 July 2017. The premium has been deferred and will be recognised over the life of the lease.

An annual market rent is to be received from Oxford Brookes University of £420,000 per annum. This is to be reviewed every 5 years under an upwards only rent review.

The future minimum lease payments receivable under this non-cancellable operating lease for each of the following periods are:

	31.8.20	31.8.19
	£	£
Deferred income : less than 1 year	420,000	420,000
Deferred income: 2-5 years	1,680,000	1,680,000
Deferred income: more than 5 years	<u>38,181,172</u>	<u>38,601,172</u>
	<u>40,281,172</u>	<u>40,701,172</u>

