



CUDDESDON

Financial Statements

Year Ended 31 July 2021

Charity Registration Number: 309714

**Ripon College Cuddesdon
Trustee Report and Financial Statements
For the Year Ended 31 July 2021**

Contents

	Page
Charity Reference and Administrative Details	3
Governors' Annual Report	4
Independent Auditor's Report	11
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17

**Ripon College Cuddesdon
Governors' Annual Report
Year Ended 31 July 2021**

Charity number	309714
Governors	<p>Chair The Rt Revd Christopher Foster (resigned December 2020) The Rt Revd Anne Hollinghurst (appointed December 2020)</p> <p>Vice Chair The Rt Revd Michael Ipgrave (appointed December 2020)</p> <p>Principal The Rt Revd Humphrey Southern (ex officio)</p> <p>Appointed The Venerable Guy Elsmore (appointed by Bishop of Oxford) Revd Sue Booy (appointed by Bishop of Oxford—resigned December 2021) The Very Revd Rogers Govender (appointed by General Synod) Mrs Lucy Docherty (appointed by General Synod)</p> <p>Co-opted Sir Tony Baldry DL Revd Canon Andrew Braddock Mr Philip Gee (Chair of Estates and Personnel Committee) The Very Revd Dr David Hoyle MBE (Chair of Education Committee) Canon Judith Knight Revd Professor Jennifer Strawbridge Revd Neil Patterson Mr Patrick Walker (Chair of Finance Committee)</p> <p>Staff-elected Revd Dr Joanna Collicutt (resigned September 2020) Mrs Sarah Morris (resigned September 2020) Revd Dr Roger Latham (appointed September 2020) Revd Dr Sarah Brush (appointed September 2020)</p> <p>Student-elected Ms Kath Long (resigned May 2021) Mr Ben Thompson (appointed May 2021) Ms Liz Yonge (appointed October 2021) Ms Tracey Watkins (resigned July 2021)</p>
Board Secretary	Revd Canon Prof Mark Chapman (Vice Principal)
Treasurer	Revd Michael Hunt (Bursar)
Registered office	Ripon College Cuddesdon, Oxford, OX44 9EX
Auditor	Wenn Townsend 30 St Giles, Oxford, OX1 3LE
Bankers	Nat West Bank Willow Court, Minns Business Park, 7 West Way, OXFORD OX2 0JB
Investment managers	CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Ripon College Cuddesdon Governors' Annual Report Year Ended 31 July 2021

The Governors present their report and the audited financial statements of the charity for the year 31 July 2021. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Objectives and activities

Objectives

The objects of the College (as set out in the Royal Charter, dated 11th December 2001) are to provide, carry on and maintain a college or colleges for the training of candidates for Holy Orders in the Church of England and such other students of theology and other germane Christian studies as the Governors may permit.

The current strategy for delivering these objectives is summarised as follows:

- **Providing excellent training and preparation for ministry** in the Church of England and the Anglican Communion and to equip individual students for ordained, reader and other lay ministry in a variety of parochial and other contexts, preparing them to become creative and competent leaders within the wider church and the world. This encompasses maintaining high quality in academic and formational training; nurturing communities that support this learning; and seeking good levels of student numbers which can sustain a variety of viable training options in different geographical locations.
- **Being a centre for excellence in academic research.** We continue to host conference and study days, manage research projects and attract visiting fellows and overseas visitors. We continue to encourage research from our teaching staff through regular periods of study leave.
- **Broadening the institution** through developing the successful and rich partnerships supporting our training in Cuddesdon, Gloucester, Ludlow and Portsmouth, and where possible developing new courses and partnerships, in co-operation with Dioceses and others.
- **Income generation** with a view to establishing a sound financial underpinning of our activities. This involves fundraising to support research and student bursaries as well as improvements and developments to buildings and estates. It also involves increasing the income generated from external users of facilities and developing new courses and educational opportunities.

Charitable Activities

We offer full-time residential and full and part-time non-residential training to ordinands sponsored by the Church of England. Students undertake academic theological study in addition to ministerial and spiritual formation which prepares students for their future ministry roles. During the year non-residential training continued to be offered through the full-time context based pathway (CBP) and part time pathway (PTP) based at Cuddesdon, the Cuddesdon Gloucester and Hereford (CGH) pathway based in Gloucester and Ludlow and the Portsmouth Pathway Cuddesdon (PPC) based in Portsmouth. In partnership with the Church Mission Society (CMS) we share in the training and formation of candidates for ordained pioneer ministry in the Church of England.

We provide a breadth of training opportunities for ordained and lay ministers within the Church of England, recognising the importance this has in encouraging vocational ministry and responding to the broader challenges of the RMF initiative. CGH and the Portsmouth Pathway train readers alongside ordinands, providing creative opportunities for interaction and learning. The Cuddesdon School of Theology and Ministry (CSTM) provides part-time study opportunities for those exploring theology. A similar opportunity is supported by CGH in the Diocese of Gloucester through the Foundations Course in Theology Mission and Ministry, and CGH also provides training of young interns through the Church of England Ministry Experience Scheme (CEMES) in the Diocese of Hereford. Each of our centres provide opportunities for established ministers and others to develop their theological and ministerial learning as independent students. We run an annual Summer School in Biblical and Theological Studies and a number of short courses and retreats which attract overseas as well as UK delegates.

We run conferences, study days and seminars on a wide range of subjects as well as hosting visiting fellows, exchange students and sabbatical visitors.

Fund-raising standards information

We raise funds from students, alumni and those using or visiting the site in Cuddesdon to support its activities. This is done in a variety of ways including encouraging regular donations (for example the Cuddesdon 500 initiative), sales of books and other items, and periodic appeals for major projects. We have not engaged the services of a professional fundraiser or commercial participator.

Public benefit statement

The Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The Governors are satisfied that our activities exist for the public benefit, particularly in respect of the advancement of religion and education, and that this is demonstrated by the achievements and performance of the College during the year (as outlined below).

We provide a public benefit by training candidates for Holy Orders in the Church of England, by training people for a wide variety of lay ministries, including Reader ministry, and by encouraging the wider study of theology. Training is provided to full time students and part-time students both formally and informally in groups. We provide lectures, materials and library databases. Students are supported by mentoring and coaching, and by the provision of student welfare, accommodation and meals. In a variety of ways, the students' families are involved so that their partners and children can engage more in the student's education and prepare them to be able to support the student as they become leaders of the wider church community.

We provide a public benefit in academic research through the provision of conferences, study days and managing commissioned research projects. The academic staff publish books and articles in journals which are peer-reviewed and we maintain an academic library with access for academics and students.

We provide a public benefit in raising awareness and understanding of religious beliefs and practices by providing our facilities for the use of appropriate organisations and groups, and through organising conferences, seminars and lectures. In addition, we provide long or short stay retreats for those wishing to undertake research or further study, or simply to be rested and refreshed, in support of their ministry and practise of their beliefs. Our activities promote the study of religious teachings and practices and scriptures; promote prayer, praise and study; provide religious instruction and supervision; encourage and support pastoral work; and support the leaders of the Anglican Communion.

Through our various pathways we seek to play a role in the life of the places in which our activities are based. This is particularly so in Cuddesdon where staff and students share in services in the church, the annual village fete is hosted in our grounds and we aim to welcome and support our neighbours, on occasion making facilities available to hire. Similarly, we are involved in the wider life of the communities that share facilities in Portsmouth, Gloucester and Ludlow.

Achievements and performance

The impact of the Covid19 crisis has been significant in the life and operation of the College during the 2020/21 academic year. Arrangements for teaching, worship and other activities varied considerably during the year with the changing Government guidance and requirements, and for many everything was conducted online. Sadly, it was not possible to return to face to face teaching before the end of the summer term, and the opportunities for hospitality and community building were considerably restricted (even with the provision of a marquee to enable outdoor meeting). Despite the difficulties it is good to note some positives: no indications of transmission of the virus in any of our settings, no significant falling off of standards of academic achievement and some instances of really creative and thoughtful theological and spiritual reflection on our current experience.

The sad day came in November 2020 when the Community of CSJB made the decision to move on from Cuddesdon. The Community of St John Baptist of (then) four sisters, together with Sr Ann-Verena of the Community of Jesus the Good Shepherd, moved to Cuddesdon from Begbroke in 2012 and have been an important part of our life and community since. Following Sr Lizzie's departure earlier, in 2018 Sr Jane Olive and Sr Ann-Verena relocated to St Mary's Convent and Nursing Home in Chiswick where appropriate care was more readily available and it was only a matter of time before the remaining Sisters, Sr Anne and Sr Mary Stephen's, decided to join them.

We are very aware of what we owe to the Sisters. Most visibly and tangibly it is expressed in two magnificent buildings – the Edward King Chapel and Harriet Monsell House – for which generations to come will have cause to be grateful. Less tangible will be what they have represented to the ordinands with whom they shared their time here of faithful stabilitas (in Benedictine terms), representing an important contrast and counterculture to the environment of a training college which can so easily become highly focused on process and outcomes.

Ripon College Cuddesdon Governors' Annual Report Year Ended 31 July 2021

After some time talking and planning, we have established a new and more inclusive structure for drawing student voices into the senior strategic leadership of Cuddesdon. The Student Governors, student representatives for each of our Pathway centres together with Cuddesdon's representative to the Ordinands' Association, meet with the Principal and other senior colleagues as a College Council. The inaugural meeting was held in December 2020 and subsequent meetings have had a positive impact on hearing and including student voices, particularly during the covid period.

Together with others in the Church, we have welcomed the Report of the Archbishops' Taskforce on Racism, *'From Lament to Action'*. The Report has important things to say and recommendations to follow for us to think about and act on in many aspects of Cuddesdon's life, including both curriculum and recruiting. We look forward to absorbing the Report and playing our part in promoting a Church which is genuinely diverse and welcoming to all in which the sin of racism has no place.

Following concerted effort by students and staff we were successful in gaining a Bronze Award under the A Rocha Eco-College Scheme.

The opportunity was taken during the year to strengthen the leadership of the college. The first aspect of restructuring was to reconfigure and develop the role of Academic Dean, reflecting the increasing integration of the academic and formational aspects of the Cuddesdon Pathways. This provided the opportunity to develop a similar and equivalent cross-pathway role of Director of Formation with oversight of formational aspects – including worship, placements, community – across both pathways. Thus, the Senior Leadership Team from September 2021 will comprise the Principal and Vice-Principal, Academic Dean and Director of Formation and the Pathway Directors at Portsmouth, and Gloucester and Hereford. As well as establishing a good configuration to meet the immediate needs of the college, we anticipate that this will help develop a robust structure for anticipated changes in the medium-to-longer term.

Given the difficulties of Covid19 it was very pleasing that curacies were arranged for all leavers on all pathways. As in several recent years, we have noticed the difficulties that dioceses face in arranging accommodation for incoming curates, made more difficult this year with the restriction on gaining possession of properties where they were privately rented. The reasons for this are understandable though the effect on new curates' morale and confidence, and that of their families, can be unfortunate.

A significant tragedy befell the College with the sudden death in July 2021 of one of our full time pathway students, at the end of his first year with us. Following his death, we had the privilege to walk with his family in their grief and were honoured to celebrate a Requiem for him soon after his death. Several staff and students were also able to share in his funeral service in Newcastle and a Memorial in the London parish where he had been a worshipper and churchwarden before joining us. Just before the start of this term a further Thanksgiving service was held in Cuddesdon. A feature of this event was the ceremonial planting, blessing and dedication of an oak tree on the turning circle outside the Edward King Chapel.

Main Objectives for the Year 2020/21

The Governors agreed a Strategic Plan in May 2020, which identified three key objectives and priorities for the 2020/21 year. Key achievements and highlights of the year are noted below against the three objectives set for the year.

(i) Develop new partnerships and maintain presence within Oxford

Progress on many aspects of partnership development was inhibited by the Covid-19 crisis and especially restrictions on travel, visits and other face-to-face communication. However during the year:

- Discussion was held with an independent group (Ancient Pathways New Perspectives) to develop a MA course in Spirituality for launch in 2021/2022, which culminated in a signed memorandum of agreement. The first group of students was recruited in September 2021, although ongoing covid restrictions has meant the course will be held online in the first year.
- Plans to offer an MA in Environmental Theology were developed through our existing partnership with CRES (Christian Rural and Environmental Studies). Further work is continuing on developing the course, with an expectation that it will be launched during 2022 for recruitment of students in September 2022.
- A number of development possibilities with other potential strategic partners – e.g. Citizens UK and HeartEdge – has continued through the year. Citizens UK assisted with leadership teaching at the

Ripon College Cuddesdon Governors' Annual Report Year Ended 31 July 2021

Easter School in 2021, and plans are being progressed to hold a Citizens UK conference in Cuddesdon in 2022.

- Our partnership with Oxford University was formally reviewed by the University during the year. The report is still awaited, but early signs are that it will be satisfactory.

(ii) Invest in new education opportunities

Progress on new education opportunities was severely restricted by the Covid-19 crisis, although as noted above plans to offer an MA in Environmental Theology were developed. In addition, the College was successful in a grant application to the Templeton Foundation for the Science for Seminaries project. A grant of £60,000 was received in June 2021 to fund an 18 month project to seek opportunities to integrate science and theology in the curriculum and to offer opportunities for ordinands to engage more closely with scientists.

(iii) Develop non-educational use of the facilities in Cuddesdon.

As with the other objectives progress in developing non-educational use of the facilities in Cuddesdon was severely disrupted by the Covid-19 crisis. Conference and guest visitor activity was cancelled for most of the year and only fully restarted once Government restrictions were lifted on 19th July. Significant effort was put into maintaining contact with the organisations who regularly use the facilities, and this was successful in ensuring a reasonable level of activity once it was possible to reopen to the facilities to others.

The departure of the Cuddesdon Sisters in November 2020 has provided the opportunity to rethink the use of Harriet Monsell House, and plans have been developed and agreed to use this as a dedicated Retreat and Conference Centre from September 2022.

Financial review (including reserves policy)

Unrestricted Funds

A breakeven budget had been set for 2020/21 on the College's General Fund account. Budget plans were significantly disrupted during the year because of the Covid-19 crisis and the continued closure of the conference and guest stay business, along with limited residence for students. A number of measures were taken to mitigate the financial impact, most importantly participation in the Government Job Retention Scheme (furlough). As a result, at the year-end an overall surplus (before investment gains and foreign exchange movements) of £153,642 was achieved.

Total unrestricted income for the year was £1,885,448 which is £149,179 higher than the previous year largely reflecting the increase in ordinand numbers following good recruitment in September 2020.

Following the adoption of FRS 102 a defined benefit pension scheme liability has been recognised. As at the end of July 2021 a liability of £20,000 has been included, a reduction of £9,000 on the assessed liability as at 31 July 2020 of £29,000. The value of the liability is taken from information provided by the Church of England Pension Board as at 31 December each year. The College is unable to assess the extent of any movement in its liability from 31 December 2020 to 31 July 2021.

As noted below in line with its reserves policy we need to generate revenue surpluses in order to secure the College's future as well as to reduce long-term borrowing and invest in capital improvement. The ability to do so remains highly dependent on maintaining and increasing student numbers as well as seeking to maximize other sources of income.

Restricted Funds

In addition to the regular investment income from endowment funds (£21,419), the other significant restricted income consisted of regular donations for future refurbishment work and alleviating student financial hardship. The most significant restricted funds remaining at the year-end were £49,087 being reserves inherited on the merger with the West of England Ministerial Training Course (WEMTC), £29,178 in the refurbishment fund and £41,911 of donations raised for supporting visiting fellows and students, and sabbaticals. During the year a grant of £60,000 was received from the Templeton Foundation for an 18-month project to promote science within theological education. The grant will be used to fund activity during the 2021/22 academic year.

Investment policy and performance

The College's investment policy is to increase the real value of income generated whilst protecting the real value of capital after inflation. The current investment objective is to achieve a return of 4% plus inflation, although it is recognized that this is a challenging target if inflation increases significantly. During 2017/18 we

Ripon College Cuddesdon Governors' Annual Report Year Ended 31 July 2021

reconfirmed our commitment to meet the ethical investment criteria used by the Church of England and as a result moved our investments to funds managed by CCLA. We continue to review the performance of the funds on a regular basis.

Reserves policy

The College has net assets of £9.4m, a figure that includes freehold properties recorded at cost of £10.8m. Net current assets at the year-end were £873,304, of which £206,269 represents restricted funds held for specified purposes. The College regularly monitors its financial and cash flow position and is careful to ensure that it has sufficient working capital and that there are banking facilities available, to meet any foreseeable expenditure.

The current approved reserves policy is to aim to hold a minimum of three months of General Fund revenue expenditure as free reserves (approximately £450,000). Reserves are held in order to protect against temporary falls in income, due for example to below target recruitment, or unbudgeted additional expenditure such as pension deficits or major unexpected repairs. Reserves would also assist with the transitional costs of potential restructuring arising from the national review of ministerial education. If free reserves are accumulated in excess of this target the Governors would consider applying them to invest in capital improvement which would help to secure our long-term future.

At the year-end general fund free reserves (defined as net general fund) were £667,035 which is above the target by £271,500. It remains a priority to aim for general fund surpluses in future in order to maintain reserves at the target level. This is particularly important at the current time with considerable uncertainty about the speed of recovery in the College's conference and hospitality activities and continuing nervousness about future numbers of ordinands, particularly on the full time residential pathway.

We continue to hold net current assets (in addition to its general fund free reserves) sufficient to cover all restricted funds.

Risk management

We consider, evaluate and record the major areas of risk to which we are exposed, assessing both the likelihood and impact of those risks crystallising, together with the measures in place to manage and mitigate such risks. The process of identification and assessment of risk, the risks identified and the measures for mitigation are reviewed at least annually by the Finance Committee. The risks which are currently assessed as scoring highest, and the plans to address them include:

- Lower student numbers across the various pathways with the consequent reduction in income. Mitigation includes strengthening the admissions procedures and continued networking with Dioceses and potential students to raise the profile of the College.
- Unsuccessful renegotiation of existing borrowing arrangements necessitating the earlier than planned repayment of the loans. Mitigation includes close liaison with existing borrowers to secure mutually beneficial terms, as well as establishing a sound debt repayment plan over the next five years.

We have considered additional risks arising from the coronavirus pandemic, although in the main these are already addressed within the risk register. Our response to the pandemic has highlighted a need to invest in new technology for the delivery of online educational activities, and also to upgrade legacy administrative systems that proved difficult to operate under remote working.

The principal risks relating to expenditure are that there may be additional pension deficits to be funded and there may be significant unexpected property maintenance expenditure.

We completed a safeguarding audit during the year as part of our response to the PCR2 exercise within the Church of England. An internal review of all student and staff files was completed, along with a review of the safeguarding policy and procedures. Safeguarding training was completed for all students in accordance with the requirements of the national safeguarding team. During the year 8 safeguarding concerns were investigated and where appropriate referred to the other agencies.

The Principal and Senior Leadership Team keep the risks under review and ensure that proportionate mitigation strategies continue to be in place.

Plans for future periods

Approximately 75% of the College's income comes from the training of ordinands funded by the students' dioceses. Our major focus remains student recruitment and sustaining high student numbers across all of our pathways. The numbers training residentially in 2021/22 have reduced from 2020/21 after a disappointing recruitment period significantly affected by the Covid-19 crisis and other national factors. The future of residential training remains uncertain and possible changes to the structure of and funding for theological training within the Church of England are being considered. In addition, the impact of the Covid-19 crisis on Church of England resources is a cause for concern and may reduce the overall level of resource available for ordination training. Steps are in hand to strengthen and develop relationships with key Dioceses, to investigate opportunities to grow the breadth of ministry training and to improve and extend marketing of the College's existing pathways.

Whilst progress has inevitably been delayed and curtailed we continue to pursue a strategy to make greater use of facilities, including the Harriet Monsell House education centre, for conferences, short courses and retreats.

Objectives for the year ahead

In line with the approved Strategic Plan the College's key objectives and priority actions for the 2021/22 year remain unchanged:

1. Develop new partnerships and maintain presence within Oxford
2. Invest in new education opportunities
3. Develop non-educational use of the facilities in Cuddesdon.

Structure, governance and management

The management of the College is vested in a Board of Governors the composition of which is set out in the Royal Charter dated 11th December 2001 and the accompanying Bye Laws. The Royal Charter provides for the Board of Governors to be the governing and executive body of the College, exercising those powers as set out in the Charter and Bye Laws.

The Governors are charged with appointing the College Principal who is responsible for the day-to-day leadership and management of the College. The Principal is assisted in this by senior staff members who meet regularly as the Senior Leadership Team.

The College Governors and advisors are set out on page 3.

The Governors meet three times a year, and receive reports from the Principal and from staff and students and sub-Committees on all aspects of the College's life and work. The Governors have reviewed the major risks which face the College and are satisfied that the necessary steps have been taken by the College to mitigate them.

Responsibility for detailed financial scrutiny, including investment policy and the proposal of budgets and final accounts has been delegated by the Governors to the Finance Committee which comprises the Treasurer, at least two Governing Body members, relevant staff members and up to three additional co-opted members. The Finance Committee meets at least four times a year and reports to each meeting of the Governing Body. The Finance Committee undertakes an annual review of risks (financial, physical and reputational) and monitors actions being taken to address any areas of concern.

A further Governing Body sub-committee, Estates & Personnel, has delegated responsibility for oversight of estates and personnel matters. The sub-committee is chaired by a Governor and reports regularly to meetings of the Board of Governors.

A final Governing Body sub-committee, Education, has delegated responsibility for the strategic oversight of curriculum design and resourcing, including aspects of the ethos and identity of Cuddesdon as a place of scholarship and research. The sub-committee is chaired by a Governor and reports regularly to meetings of the Board of Governors.

**Ripon College Cuddesdon
Governors' Annual Report
Year Ended 31 July 2021**

Remuneration

The Estates and Personnel Committee has responsibility for ensuring that we have appropriate remuneration procedures in place for all staff, including those identified as Key Management Personnel. The remuneration of the Principal is determined in accordance with the Lichfield Scale recommended by the Finance Panel of the Ministry Division of the Archbishops' Council.

Recruitment and induction of governors

In accordance with the College's Bye-Laws, two Governors are nominated by the General Synod of the Church of England, two Governors are nominated by the Bishop of Oxford, and staff and students each elect two Governors. Up to ten further Governors may be co-opted by the Board of Governors. A Governors' induction pack has been prepared and is provided to all new Governors.

Trustees' responsibilities

The Governors are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing 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 2019 (FRS 102);
- 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 operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

On behalf of the Board of Governors



Rt. Revd. Michael Igrave, Co-Chair and Trustee

Date: 15th February 2022

**Ripon College Cuddesdon
Independent Auditor's Report
Year Ended 31 July 2021**

Opinion

We have audited the financial statements of Ripon College Cuddesdon (the 'charity') for the year ended 31st July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st July 2021, 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; 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 Auditor's 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

In auditing the financial statements, we have concluded that the trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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.

**Ripon College Cuddesdon
Independent Auditor's Report
Year Ended 31 July 2021**

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 financial statements is inconsistent in any material respect with the trustees' report; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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.

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.

Auditor's 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 regulations made under section 154 of that Act.

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

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

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in Accounting and HR functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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 auditor's report.

**Ripon College Cuddesdon
Independent Auditor's Report
Year Ended 31 July 2021**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under 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.



Wenn Townsend

Chartered Accountants and Statutory Auditor
Oxford

Date:

Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Ripon College Cuddesdon
Statement of Financial Activities
Year Ended 31 July 2021

	Note	2021			Total £	2020 Total £
		Unrestricted funds £	Restricted funds £	Endowment funds £		
Income and endowments from:						
Donations and legacies	2	74,550	16,404	-	90,954	117,536
Charitable activities	3	1,785,106	69,133	-	1,854,239	1,600,753
Other trading activities	4	23,921	-	-	23,921	33,142
Investments	5	1,871	21,419	-	23,290	26,568
Total income and endowments		1,885,448	106,956	-	1,992,404	1,777,999
Expenditure on:						
Raising funds	6	73,018	-	-	73,018	70,318
Charitable activities	7	1,658,788	21,703	-	1,680,491	1,644,326
Total expenditure		1,731,806	21,703	-	1,753,509	1,714,644
Net gains / (losses) on investments	15	-	-	115,523	115,523	9,333
Net income / (expenditure)		153,642	85,253	115,523	354,418	72,688
Transfers between funds	24	23,892	(23,892)	-	-	-
Other recognised gains / (losses):						
Pension deficit movement	26	9,000	-	-	9,000	98,000
Other gains / (losses)	21	(254,552)	-	-	(254,552)	537,875
Net movement in funds		(68,018)	61,361	115,523	108,866	708,563
Reconciliation of funds:						
Total funds brought forward	24	8,239,335	144,908	905,930	9,290,173	8,581,610
Total funds carried forward	24	8,171,317	206,269	1,021,453	9,399,039	9,290,173

All income and expenditure derive from continuing activities.

Ripon College Cuddesdon
Balance Sheet
Year Ended 31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	10,846,448	10,818,282
Investments	15	814,178	698,655
		<u>11,660,626</u>	<u>11,516,937</u>
Current assets			
Stocks	16	5,388	5,746
Debtors	17	50,669	23,436
Cash at bank and in hand		966,654	770,087
		<u>1,022,711</u>	<u>799,269</u>
Creditors: amounts falling due within one year	18	<u>(149,407)</u>	<u>(106,694)</u>
Net current assets		<u>873,304</u>	<u>692,575</u>
Total assets less current liabilities		12,533,930	12,209,512
Creditors: amounts falling due after more than one year			
Secured loan	19	(3,024,891)	(2,770,339)
Unsecured loan	19	(90,000)	(120,000)
		<u>(3,114,891)</u>	<u>(2,890,339)</u>
Net assets (excluding pension liability)		9,419,039	9,319,173
Defined benefit pension liability	26	<u>(20,000)</u>	<u>(29,000)</u>
Net assets		<u>9,399,039</u>	<u>9,290,173</u>
Charity Funds			
Endowment funds	24	1,021,453	905,930
Restricted funds	24	206,269	144,908
Unrestricted funds	24	8,171,317	8,239,335
Total charity funds		<u>9,399,039</u>	<u>9,290,173</u>

The financial statements were approved and authorised for issue by the Governing Body on 15th February 2022.

Signed on behalf of the Board of Governors

Michael Keeli

Rt. Revd. Michael Igrave, Co-Chair and Trustee

Date: 15th February 2022

The notes on pages page 17 to 34 form part of these financial statements.

Ripon College Cuddesdon
Statement of Cash Flows
Year Ended 31 July 2021

	2021 £	2020 £
Net cash flow from operating activities	272,228	41,588
Cash flow from investing activities		
Dividends, interest and rent from investments	23,290	26,568
Proceeds from the sale of property, plant and equipment	-	695,000
Purchase of property, plant and equipment	(68,951)	(41,922)
Proceeds from the sale of investments	-	646,834
Purchase of investments	-	(646,834)
Net cash flow from investing activities	(45,661)	679,646
Cash flow from financing activities		
Repayments of borrowing	(30,000)	(695,000)
Net cash flow from financing activities	(30,000)	(695,000)
Net increase in cash and cash equivalents	196,567	26,234
Cash and cash equivalents at 1 August 2020	770,087	743,853
Cash and cash equivalents at 31 July 2021	966,654	770,087
Cash and cash equivalents consists of:		
Cash at bank and in hand	891,654	618,923
Short term deposits	75,000	151,164
Cash and cash equivalents at 31 July 2021	966,654	770,087

Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income / (expenditure) for year / period	354,418	72,688
Depreciation	40,785	43,731
(Gains) / losses on investments	(115,523)	(9,333)
Dividends, interest and rent from investments	(23,290)	(26,568)
(Increase) / decrease in stock	358	551
(Increase) / decrease in debtors	(27,233)	60,825
Increase / (decrease) in creditors	42,713	(100,306)
Net cash flow from operating activities	272,228	41,588

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

1 Summary of significant accounting policies

(a) General information and basis of preparation

Ripon College Cuddesdon is a charity established by Royal Charter in the United Kingdom. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are to provide, carry on and maintain a College or Colleges for the training of candidates for Holy Orders in the Church of England and such other students of theology or other germane Christian studies.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity, principally freehold property within the village of Cuddesdon. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

The charity receives government grants in respect the Coronavirus Job Retention Scheme. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Other income includes gains on disposals of tangible fixed assets.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes;
- Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 8.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	No provision has been made for depreciation on freehold land and buildings as it is believed that the future useful economic life of the buildings is so long that any depreciation would be immaterial.
Freehold buildings	
Plant and machinery	Calculated at annual rates of between 5-20% depending on the class of asset, with the intention of writing off the cost or valuation of the asset over their expected useful lives.
Fixtures and fittings	
Motor vehicles	

(g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(h) Stocks

Stocks are stated at cost. Cost is calculated using the "first in first out" formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(k) Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

(l) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(m) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

(n) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(o) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also participates in a multi-employer defined benefit plan. The charity is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee Benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the SoFA represents the contributions payable to the scheme in respect of the accounting period. Since the charity has entered into an agreement for a recovery plan that determines how each employer within the scheme will fund the overall deficit the charity recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense is shown in the SoFA.

(p) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010. All income in the year is within this exemption and no corporation tax liability arises.

(q) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held, the expected level of income and expenditure for 12 months from authorising these financial statements and considered additional risks arising from the Covid19 pandemic. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(r) Critical accounting judgements

FRS 102 distinguishes between a Group Plan pension scheme and a multi-employer pension scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by Church of England Pensions Board. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in the statement of financial activities. The trustees are satisfied that the Clergy Pension Scheme provided by the Church of England Pensions Board meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

(s) Key sources of estimation uncertainty – Clergy Pension Scheme liability

FRS102 requires agreed deficit recovery payments to be recognised as a liability. This liability represents the present value of the deficit contributions agreed as at the accounting date of the pension scheme. The trustees have included the value of this liability within the accounts based on information provided by the Church of England Pensions Board as at 31 December 2020. The trustees consider that this is a best estimate, but recognise it presents a significant risk in potentially causing a material adjustment to the balance sheet as at 31 July 2021.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

2 Income from donations and legacies

	2021	2020
	£	£
Gifts and donations	28,056	28,302
Legacies	4,380	7,000
Tax reclaimed	4,376	4,221
Government Grant – Coronavirus Job Retention Scheme	54,142	78,013
	<u>90,954</u>	<u>117,536</u>

Income from donations and legacies was £90,954 (2020 - £117,536) of which £16,404 - (2020 - £16,400) was attributable to restricted and £74,550 (2020 - £101,136) was attributable to unrestricted funds.

3 Income from charitable activities

	2021	2020
	£	£
Tuition and other student fees	1,119,951	993,817
Student accommodation and allowances	662,626	584,468
Continuing education	530	20,387
Research	71,132	2,081
	<u>1,854,239</u>	<u>1,600,753</u>

Income from charitable activities was £1,854,239 (2020 - £1,600,753) of which £69,133 (2020 - £2,081) was attributable to restricted and £1,785,106 (2020 - £1,598,672) was attributable to unrestricted funds.

4 Income from other trading activities

	2021	2020
	£	£
Fundraising events	114	107
Conference hire	22,689	32,923
Sales of merchandise and other trading activities	1,118	112
	<u>23,921</u>	<u>33,142</u>

Income from other trading activities was £23,921 (2020 - £33,142) of which £- (2020 - £-) was attributable to restricted and £23,921 (2020 - £33,142) was attributable to unrestricted funds.

5 Income from investments

	2021	2020
	£	£
Dividends - equities	21,419	15,531
Interest - fixed interest securities	-	7,718
Interest - deposits	1,871	3,319
	<u>23,290</u>	<u>26,568</u>

Income from investments was £23,290 (2020 - £26,568) of which £21,419 (2020 - £23,249) was attributable to restricted and £1,871 (2020 - £3,319) was attributable to unrestricted funds.

6 Expenditure on raising funds

	2021	2020
	£	£
Fundraising and PR activities	17,211	16,748
Conference expenses	40,358	38,704
Support costs (see note 8)	15,449	14,866
	<u>73,018</u>	<u>70,318</u>

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

7 Analysis of expenditure on charitable activities

	Staff Costs (incl Housing)	Teaching Related (incl University Fees)	Estates and Facilities	Support costs (see note 8)	Total 2021	Total 2020
	£		£	£	£	
Teaching and Research	614,159	140,067	13,595	200,325	968,146	931,486
Student Accommodation	283,015	-	271,332	148,760	703,107	699,990
Continuing Education	7,365	-	-	1,873	9,238	12,850
Total 2021	904,539	140,067	284,927	350,958	1,680,491	1,644,326
Total 2020	864,945	133,796	300,122	345,463	1,644,326	

Expenditure on charitable activities was £1,680,491 (2020 - £1,644,326) of which £21,703 (2020 - £10,240) was attributable to restricted and £1,658,788 (2020 - £1,634,086) was attributable to unrestricted funds.

8 Allocation of support costs

	Raising funds	Teaching and Research	Student Accommod ation	Cont Educat'n	Total 2021	Total 2020
	£	£	£	£	£	
Governance	377	4,888	3,629	46	8,940	9,949
Admin & maintenance staff costs	5,863	76,022	56,454	711	139,050	135,225
Office costs	1,440	18,678	13,870	175	34,163	34,249
Premises costs	4,385	56,856	42,221	532	103,994	103,460
Maintenance and equipment	499	6,464	4,800	60	11,823	190
Insurance	784	10,164	7,548	95	18,591	14,351
Other professional fees	467	6,062	4,501	57	11,087	19,981
Depreciation	1,634	21,191	15,737	197	38,759	42,924
Total 2021	15,449	200,325	148,760	1,873	366,407	360,329
Total 2020	14,866	194,761	147,985	2,717	360,329	

9 Governance costs

	2021 £	2020 £
Trustee expenses	-	1,009
Auditor's remuneration	8,940	8,940
	8,940	9,949

No amount has been included in Governance costs for the direct employment costs or reimbursed expenses of the Staff Governors on the basis that these payments relate to involvement in the College's charitable activities.

10 Net expenditure for the year

Net expenditure is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	40,785	43,731
Operating lease rentals	2,203	2,033

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

11 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £8,940 (2020 - £8,940).

12 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration for their role as trustee during the year (2020: £-).

The College considers its key management personnel to be the Governors, which includes the Principal. Under the terms of the Royal Charter the Principal is ex-officio a member of the Governing Body and a trustee of the College. In addition, the Royal Charter requires the appointment of two Staff Governors who are also trustees of the College. The Principal and the Staff Governors, who are related parties as defined by FRS8, receive remuneration as employees of the College. Remuneration, including pension contributions, paid to the Principal and Staff Governors amounted to £154,277 (2020 - £100,458). Other than this no governor or any person with a family or business connection with a governor, directly or indirectly, received any remuneration from the College in the current or preceding year.

The reimbursement of trustee expenses was as follows:

	2021 Number	2020 Number	2021 £	2020 £
Travel	-	3	-	1,009

13 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021 Number	2021 FTE	2020 Number	2020 FTE
Teaching and research	13	11.4	12	11.0
Administration (including library)	10	7.4	10	7.4
Catering, domestic and maintenance	14	10.8	15	10.8
	<u>37</u>	<u>29.6</u>	<u>37</u>	<u>29.2</u>

The total staff costs and employee benefits was as follows:

	2021 £	2020 £
Wages and salaries	906,774	859,269
Employers national insurance contributions	74,840	69,452
Pension costs – defined benefit schemes	58,442	55,317
Pension costs – defined contribution schemes	45,928	43,424
Other employee benefits (housing and book allowances)	19,247	18,365
	<u>1,105,231</u>	<u>1,045,827</u>

No employees received total employee benefits (excluding employer pension costs) of more than £60,000. During the year no amounts were paid in redundancy (2020 - £-)

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

14 Tangible fixed assets

	Edward King Chapel	Other Freehold Land and Buildings	Fixtures and Fittings	Total
	£	£	£	£
Cost or valuation:				
At 1 August 2020	2,681,551	7,992,184	612,628	11,286,363
Additions	-	-	68,951	68,951
Disposals	-	-	(26,180)	(26,180)
At 31 July 2021	<u>2,681,551</u>	<u>7,992,184</u>	<u>655,399</u>	<u>11,329,134</u>
Depreciation:				
At 1 August 2020	-	-	468,081	468,081
Charge for the year	-	-	40,785	40,785
Eliminated on disposals	-	-	(26,180)	(26,180)
At 31 July 2021	<u>-</u>	<u>-</u>	<u>482,686</u>	<u>482,686</u>
Net book value:				
At 31 July 2021	<u>2,681,551</u>	<u>7,992,184</u>	<u>172,713</u>	<u>10,846,448</u>
At 31 July 2020	<u>2,681,551</u>	<u>7,992,184</u>	<u>144,547</u>	<u>10,818,282</u>

The historic value of the freehold land and buildings was established on the basis of a market value appraisal in 1975. All subsequent portfolio additions have been recorded at cost.

15 Fixed asset investments

Market Value		Listed investments
At 1 August 2020		£
Additions		698,655
Disposals		-
Realised gain / (loss) on disposals		-
Unrealised gain / (loss) on revaluation		115,523
At 31 July 2021		<u>814,178</u>
	2021	2020
	£	£
Equities	814,178	698,655
Fixed Interest / Bonds	-	-
	<u>814,178</u>	<u>698,655</u>

The fair value of listed investments is determined by reference to the market price at the balance sheet date.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

16 Stocks

	2021	2020
	£	£
Food and catering supplies	2,411	2,736
Book tokens, vouchers and items for resale	2,977	3,010
	<u>5,388</u>	<u>5,746</u>

17 Debtors

	2021	2020
	£	£
Students and staff	8,741	3,928
External debtors	30,609	11,961
Tax repayment due	4,376	4,221
Prepayments and deposits	6,943	3,326
	<u>50,669</u>	<u>23,436</u>

18 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	54,447	51,607
Accruals	36,516	16,094
Deferred revenue (see note 22)	14,836	-
Concessionary loans payable (see note 21)	30,000	30,000
Other creditors	13,608	8,993
	<u>149,407</u>	<u>106,694</u>

Details of leasing arrangements are provided in note 20.

19 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Concessionary loans payable (see note 21)	3,114,891	2,890,339

20 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than one year	1,990	1,525
Later than one and not later than five years	5,472	-
Later than five years	-	-
	<u>7,462</u>	<u>1,525</u>

21 Concessionary loans payable

	2021	2020
	£	£
Secured Loan – Church Body of Hong Kong	3,024,891	2,770,339
Unsecured Loan	120,000	150,000
	<u>3,144,891</u>	<u>2,920,339</u>

The college drew down a HK\$ 18,210,000 5-year loan facility with the Church Body of Hong Kong on 24 June 2008. The proceeds of the loan were used for the purpose of acquiring 1-5 Vine Cottages, High Street, Cuddesdon. Those properties are subject to a negative pledge in favour of the lender pursuant to which they cannot be charged to a third party. Interest was payable in five annual instalments of HK\$364,200 (£25,000). The College took out a forward foreign exchange cover with HSBC secured with a first charge over Vine Cottages.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

On 12 October 2010 the loan was re-negotiated to be interest free and to be repayable on the later of (a) the seventh anniversary of the date of the new agreement if the Hong Kong Dollar/British Pound exchange rate exceeds 11.8:1 on that date or (b) if, on the seventh anniversary of the date of the new agreement, the Hong Kong Dollar/British Pound exchange rate is less than or equal to 11.8:1, 90 days after the first date following that seventh anniversary on which the Hong Kong Dollar/British Pound exchange rate exceeds a rate of 11.8:1.

Following the signing of the revised loan agreement the forward exchange contract was sold back to HSBC on 20 October 2010, the proceeds realised of £157,250 were designated for the Appeal and the charge in favour of HSBC over 1-5 Vine Cottages was released.

On 2 May 2011 a variation agreement was entered into which increased the amount of the loan by HK\$8,230,000, and a further variation dated 12 December 2011 increased the loan by another HK\$6,250,000 taking the total borrowing to HK\$32,690,000. The May 2011 agreement brought 2 Orchard View, Cuddesdon (a property owned by the College) within the scope of the negative pledge in favour of the lender. The purpose of the increased loan was to provide funding for the Appeal construction project.

On 30 November 2020 a variation agreement was entered into which extended the repayment date of the loan to 12 October 2025 and removed the exchange rate ratio on repayment at the end of the term.

	2020 £	2020 £	2021 HK\$	2020 HK\$
Loan outstanding at 1 August	2,770,339	2,770,339	32,690,000	32,690,000
Unrealised foreign exchange movement	254,552	-		
Loan outstanding at 31 July	<u>3,024,891</u>	<u>2,770,339</u>	<u>32,690,000</u>	<u>32,690,000</u>
Exchange rate HK\$ to the pound at 31 July		10.8070		

The total sterling liability as shown in the balance sheet reflects the prevailing exchange rate at the year-end. Any difference arising due to movement in the conversion rate is shown as an unrealised gain or loss in the SOFA.

The College drew down a £845,000 interest free loan facility on 9 November 2007 from the Community of St John Baptist (CSJB). Following a period of negotiation with the CSJB a sale and leaseback arrangement has been agreed in relation to two properties held by the College. On the 31st January 2020 two properties were sold to the CSJB for a sum of £695,000, reducing the balance on the loan to £150,000. On the same date the lender leased the properties to the College for a period of 20 years. The remaining interest free loan from the CSJB will be repaid in five equal instalments from 31st January 2021.

22 Deferred income

	Total £
At 1 August 2020	-
Additions during the year	14,836
Amounts released to income	-
At 31 July 2021	<u>14,836</u>

Deferred income consists of conference bookings that relate to future periods.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

23 Contingent liabilities / assets

There are contingent liabilities regarding conditional grants of £36,295 from the Central Board of Finance of the Church of England before 31 July 1983 which becomes repayable should the college ever cease to be a theological college recognised by the House of Bishops.

24 Fund reconciliation

Unrestricted funds – year ended 31 July 2021

	Balance at 1/08/20 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31/07/21 £
General Fund	8,104,060	1,731,441	(1,433,563)	(84,281)	(245,552)	8,072,105
WEMTC	69,694	154,007	(143,467)	(26,827)	-	53,407
Property	65,581	-	(154,776)	135,000	-	45,805
	<u>8,239,335</u>	<u>1,885,448</u>	<u>(1,731,806)</u>	<u>23,892</u>	<u>(245,552)</u>	<u>8,171,317</u>

Restricted funds – year ended 31 July 2021

	Balance at 1/08/20 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31/07/21 £
Endowment (incl Bishop Allen)	-	1,282	-	(1,282)	-	-
Wilberforce	-	137	-	(137)	-	-
Jaspers Lectureship	-	3,618	-	(3,618)	-	-
Exhibition and Library	-	10,993	-	(10,993)	-	-
Sykes and Pannell	-	5,389	-	(5,389)	-	-
Cuddesdon Study Centre	42,648	5,452	(4,492)	(1,697)	-	41,911
Student Hardship and Retreats	15,551	-	(2,120)	5,088	-	18,519
WEMTC	49,087	-	-	-	-	49,087
Refurbishment	24,090	-	-	5,088	-	29,178
Appeal	-	775	-	(775)	-	-
Miscellaneous Other Restricted	13,532	79,310	(15,091)	(10,177)	-	67,574
Total Restricted Funds	<u>144,908</u>	<u>106,956</u>	<u>(21,703)</u>	<u>(23,892)</u>	<u>-</u>	<u>206,269</u>

Endowment funds – year ended 31 July 2021

	Balance at 1/08/20 £	Income £	Expenditure £	Transfer s £	Gains / (losses) £	Balance at 31/07/21 £
Endowment Fund	105,049	-	-	-	6,914	111,963
Foundation Fund	140,284	-	-	-	-	140,284
Wilberforce Fund	4,051	-	-	-	736	4,787
Jaspers Lectureship	107,400	-	-	-	19,514	126,914
Exhibition and Library	326,322	-	-	-	59,291	385,613
Skyes and Pannell	222,824	-	-	-	29,068	251,892
Total Endowment Funds	<u>905,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,523</u>	<u>1,021,453</u>

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

Unrestricted funds – Year ended 31 July 2020

	Balance at 1/08/19 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31/07/20 £
General Fund	7,354,443	1,534,508	(1,380,902)	(39,864)	635,875	8,104,060
WEMTC	82,361	201,761	(143,390)	(71,038)	-	69,694
Property	110,693	-	(180,112)	135,000	-	65,581
	<u>7,547,497</u>	<u>1,736,269</u>	<u>(1,704,404)</u>	<u>24,098</u>	<u>635,875</u>	<u>8,239,335</u>

Restricted funds – Year ended 31 July 2020

	Balance at 1/08/19 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31/07/20 £
Endowment (incl Bishop Allen)	-	1,391	-	(1,391)	-	-
Wilberforce	-	148	-	(148)	-	-
Jaspers Lectureship	-	3,927	-	(3,927)	-	-
Exhibition and Library	-	11,932	-	(11,932)	-	-
Sykes and Pannell	-	5,850	-	(5,850)	-	-
Cuddesdon Study Centre	40,024	5,345	(2,721)	-	-	42,648
Student Hardship and Retreats	11,878	4,286	(613)	-	-	15,551
WEMTC	49,087	-	-	-	-	49,087
Refurbishment	18,555	5,535	-	-	-	24,090
Appeal	-	850	-	(850)	-	-
Miscellaneous Other Restricted	17,972	2,466	(6,906)	-	-	13,532
Total Restricted Funds	<u>137,516</u>	<u>41,730</u>	<u>(10,240)</u>	<u>(24,098)</u>	<u>-</u>	<u>144,908</u>

Endowment funds – Year ended 31 July 2020

	Balance at 1/08/19 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31/07/20 £
Endowment Fund	104,490	-	-	-	559	105,049
Foundation Fund	140,284	-	-	-	-	140,284
Wilberforce Fund	3,992	-	-	-	59	4,051
Jaspers Lectureship	105,823	-	-	-	1,577	107,400
Exhibition and Library	321,532	-	-	-	4,790	326,322
Skyes and Pannell	220,476	-	-	-	2,348	222,824
Total Endowment Funds	<u>896,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,333</u>	<u>905,930</u>

Fund descriptions

a) Unrestricted funds

General Fund The College's general reserve for supporting, maintained and developing its charitable activities.

b) Designated funds

Property An amount of income from fees and accommodation charges has been designated for property repairs and maintenance. To the extent this budget has not been fully utilised in the year, due to the irregular nature of such expenditure, the balance has been carried forward as a designated reserve and is earmarked for future property maintenance and improvement.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

WEMTC	For a limited period following the transfer in August 2011 the income and expenditure arising from the continuing operation of the West of England Ministerial Course was treated as a designated reserve for the future development and support of the activity. No contributions to the designated reserve have been made since July 2016.
c) Restricted funds	
Cuddesdon Study Centre Activities	Funds to sponsor fellowships, provide student bursaries, establish new courses, promote the research activities of OxCEPT and generally develop the Cuddesdon Study Centre. This includes the Alex and Kirsty Ross Fund to support student exchanges with Trinity College, Melbourne.
Student Hardship and Retreats	To provide support for ordinands suffering from financial hardship and to support student retreats.
WEMTC	Reserves inherited from WEMTC on merger and to be applied to future delivery of courses.
Refurbishment	To fund the conversion of student study bedrooms to upgraded ensuite accommodation. Following completion of phase 1 in 2016/17 the funds used are transferred to the general fund along with the assets they represent. The balance at 31 July 2021 represents the funds available for phase 2 of the project.
Appeal	To fund the building of the Education Centre, Chapel and Convent. This includes contributions from the Begbroke Sisters. Following completion of the buildings in 2012/13 all funds raised for this purpose are transferred to the general fund along with the assets they represent.
Miscellaneous Other Restricted	Includes a grant of £60,00 to deliver the Science for Seminaries project in the period from April 2021 to December 2022, a grant for development of allotments on the College site, grants to support students with disabilities and a donation to fund library space for a collection of donated books.
d) Endowment funds	
Endowment Fund	Represents freehold property given to the College comprising cottages in Cuddesdon village and gardens, farmland and allotments within the main College site and included at a 1975 market value of £66,995. Also investments the income from which to be applied in or towards the upkeep and repair of buildings belonging to the College and for the general charitable purposes of the College.
Foundation Fund	Freehold property comprising the original College site and kitchen garden, at its 1975 market value of £140,284.
Wilberforce Fund	Income from investments held to be applied in augmentation of the College Endowment fund as long as the College is conducted as a theological training college of the Church of England.
Jaspers Lectureship	Income generated from investments held to provide lectures on the philosophy of Karl Jaspers.
Exhibition and Library	Income generated from investments held to provide scholarships & exhibitions for academic distinction, bursaries for financial assistance, and to maintain the Library. (If the income from endowments is not used as described above it may be used for such charitable educational purposes at the College as the Governors see fit).
Sykes and Pannell	Income generated from investments held to be applied for the maintenance and repair of College buildings and furniture occupied and used for charitable educational purposes.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

25 Analysis of net assets between funds

Year ended 31 July 2021	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	£	£	£	£	£
Fixed assets and investments	10,639,173	-	-	1,021,453	11,660,626
Cash and current investments	671,970	99,212	195,472	-	966,654
Other current assets / liabilities	(104,147)	-	10,797	-	(93,350)
Creditors more than one year	(3,114,891)	-	-	-	(3,114,891)
Provisions / pensions	(20,000)	-	-	-	(20,000)
Total	8,072,105	99,212	206,269	1,021,453	9,399,039

Year ended 31 July 2020	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	£	£	£	£	£
Fixed assets and investments	10,611,007	-	-	905,930	11,516,937
Cash and current investments	495,249	135,275	139,563	-	770,087
Other current assets / liabilities	(82,857)	-	5,345	-	(77,512)
Creditors more than one year	(2,890,339)	-	-	-	(2,890,339)
Provisions / pensions	(29,000)	-	-	-	(29,000)
Total	8,104,060	135,275	144,908	905,930	9,290,173

26 Pensions and other post-retirement benefits

The College participates in the Church Workers Pension Fund (CWPF). The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the College and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The College participates in the Pension Builder Scheme section of the Church Workers Pension Fund. The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. Bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable. A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation was carried out as at 31 December 2019.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails the College could become responsible for paying a share of that employer's pension liabilities.

Defined Benefit Scheme

The College participates in the Defined Benefit Scheme (DBS) section of the Church Workers Pension Fund. No new employees are enrolled in this Scheme and with effect from 1 April 2018 all active members of the scheme transferred to alternative pension arrangements. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year.

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recent was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay expenses of £5,800 per year.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is as follows:

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

	2020	2019
Balance sheet liability at 1 January	0	0
Deficit contribution paid	0	0
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability*(recognised in SoFA)	0	0
Balance sheet liability at 31 December	0	0

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.00%	0.00%	0.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

Church of England Funded Pension Scheme

Ripon College Cuddesdon participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumption

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameterⁿ of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

	2020	2019
Balance sheet liability at 1 January	29,000	127,000
Deficit contribution paid	(15,000)	(17,000)
Interest cost (recognised in SoFA)	0	2,000
Remaining change to the balance sheet liability* (recognised in SoFA)	6,000	(83,000)
Balance sheet liability at 31 December	20,000	29,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% pa	1.1% pa	2.1% pa
Price inflation	3.1% pa	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, Ripon College Cuddesdon could become responsible for paying a share of that Responsible Body's pension liabilities.

27 Financial commitments

There were no contractual commitments for the acquisition of tangible fixed assets contracted for but not provided in the financial statements (2020 - £6,450).

28 Related party transactions

There are no related party transactions during the period other than the remuneration of the Principal and Staff Governors shown in note 12 and donations received from Governors and staff totalling £1,040 from 10 individuals (2020: £1,973, 11 individuals).

Ripon College Cuddesdon
Notes to the Financial Statements
Year Ended 31 July 2021

29 Funds received as agent

The Ecclesiological Investigations Network organises a biennial conference which is funded by grants and delegate fees. Ripon College Cuddesdon acts as an agent for the conference organising committee. During the year ended 31 July 2021, the College received income amounting to £- (2020: £-) and made disbursements of £- (2020: £385) from this income. The balance of funds being held on behalf of the committee at the year-end amounted to £3,383 and is included in creditors at 31 July 2021 (2020: £3,383). The income received and expenses paid are not included in the SOFA as they do not relate to the activities of the College.

The Congregational Christian Music Committee organises an annual conference which is funded by grants and delegate fees. Ripon College Cuddesdon acts as an agent for the conference organising committee. During the year ended 31 July 2021, the College received income amounting to £22,664 (2020: £385) and made disbursements of £13,049 (2020: £-) from this income. The balance of funds being held on behalf of the committee at the year-end amounted to £10,000 and is included in creditors at 31 July 2021 (2020: £385). The income received and expenses paid are not included in the SOFA as they do not relate to the activities of the College.