



# ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2022

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## MESSAGE FROM THE CHAIR OF COUNCIL

This has been another successful year at College, despite the challenges of emerging from Covid-19 which have required almost as much resilience and creativity as getting through the pandemic itself. The physical return to school and the lifting of most of the restrictions have meant our students have once again had the opportunity to enjoy the full richness of a College education – academic, co-curricular and pastoral – and the staff have been able to deliver fully again what they came in to their roles to do. But, as the adrenaline that had kept us going through the lockdowns wore off, many of us realised how much toll the pandemic had taken. For those who were facing public exams, preparations had been impacted and there was uncertainty about how they would be conducted. For others, after a year largely online and based away from College in their family units, there was a need to relearn how to socialise fully in a school environment. Not one of us has been able to detach fully from our external environment – the cost of living crisis, the war in Ukraine and the growing evidence of our climate emergency.

Thus it is with huge gratitude and admiration that I reflect on how well our exceptional Principal, Eve Jardine Young, and her brilliant team have led us through this year. Thanks to our excellent reputation and despite the dark economic clouds, we started the year with the strongest ever pupil roll. The estates team spent the summer improving and expanding our accommodation, making it more adaptable, and enabling the success of our new offer for day families to book occasional boarding nights.

Academically, the school has been its customary creative powerhouse. Our students achieved outstanding IB results and strong A level and GCSE results – above our already very good previous five year average. Mid year, we won the Sunday Times Parent Power top independent school in the South West award, based on the average of the three pre-Covid years of academic results (2017-2019), following last year's accolade of the South West Independent school of the decade. We were also awarded best boarding school in the UK for IB results and best girls' boarding school for IB globally. But a College education is not and has never been just about the results; the breadth of the teaching and the encouragement to think for yourself lay such a strong foundation for the university stage and beyond.

It has been wonderful to have live music, live theatre and the full range of sport back again. We had our highest ever ballet exam results from the Royal Academy of Dance, as well as the prestigious Nutland Award for one of our very fine young musicians. I am also delighted that we have been able to maintain our community involvement through the Cheltenham Education Partnership, through various local projects including one in support of Stroud's women's refuge, and through the launch of our new bursary campaign in the summer, when we were deeply appreciative of the generosity of parents, staff and alumnae.

We have achieved a healthy surplus this year. This is partly down to the strong pupil roll but also down to the outstanding cost management by Nigel Richards, Jo Matthews and their teams, especially given the inflationary pressures that had already begun to emerge. Their efforts are less visible to most of you but are no less essential to the health of the school. College is a charity and any surplus is used both to invest in the school and community and to strengthen our reserves as we face the even greater inflationary pressures we are likely to experience next year.



Nick Baird  
Chair of Council

# REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 JULY 2022

## REFERENCE AND ADMINISTRATIVE INFORMATION

Cheltenham Ladies' College ("College") operates under the terms of a Royal Charter granted in 1935, and Supplemental Charters granted in 1955 and in 1991 and further amendments passed and granted by an Order from the Privy Council in 2015. College is registered with the Charity Commission under charity registration number 311722.

Principal Address:  
Bayshill Road  
Cheltenham  
Gloucestershire  
GL50 3EP

[www.cheltladiescollege.org](http://www.cheltladiescollege.org)

## STRUCTURE, GOVERNANCE AND LEADERSHIP

The Royal Charter limits the size of Council to a maximum of fifteen Elected Members and three Nominated Members. Council meets at least once a term, with an additional annual meeting to review strategy. Council Members are appointed by the Members of College at the AGM. They serve for a three-year period and may be re-elected for two further three-year periods.

Upon their appointment, Council Members are given an induction to their role and responsibilities as trustees of College. They meet with senior employees of College and receive access to a detailed handbook online explaining the workings of Council and College.

Council has a number of committees, which operate under their own terms of reference and delegated powers, to consider specific areas of College's operations. These are Finance and Executive, Audit and Risk, Land and Buildings, Education and Nominations Committees. Council also has an Investment Sub-Committee and a Principal's Remuneration Committee, both being Sub-Committees of the Finance and Executive Committee. As part of a continuous process, the Nominations Committee reviews the skills of Council Members and any gaps are addressed by Nominations appointing new members to join Council, co-opting members with specific skills to Council committees and through relevant training to ensure appropriate expertise is present.

The pay and remuneration of key management personnel is discussed and set by the Finance and Executive Committee on an annual basis using benchmark data.

## CHARITY GOVERNANCE CODE

The Charity Governance Code sets out the principles and recommended good practice within the sector. College fully supports these and already follows many aspects of best practice. College continues to consider issues of equality, diversity and inclusion, explicitly in its ongoing recruitment process for Council members. Council members undertake periodic self-evaluation reviews, and an internal self-review governance of has recently been completed. An external review of governance has recently been commissioned in line with sector guidance.

## MEMBERS OF COUNCIL AND CHARITY TRUSTEES

Members of Council as at 31 July 2022 (showing changes during the financial year and up to the date of signing):

### Elected Members

Mr N Baird MA CMG CVO (Chair)  
Mrs C M Webster BSc (Hons) (Vice Chair)  
Mr J Briant BSc (Hons) ACA  
Mrs S Cattermole BA ACA  
Ms T Davda  
Mr S Davies BSc (Hons) ACA  
Mr R Denny LLB  
Mrs J Edney MA (appointed 04.03.22)  
Mr G Evans MA (retired 04.03.22)  
Mr D Fotheringham MA  
Dr F Pathiraja MBBS, MFPH, FRCR, MPH, MBA (appointed 04.03.22)  
Mrs E Pearson MA MBA (appointed 04.03.22)  
Mr D Pittaway QC MA FCI Arb (retired 04.03.22)  
Ms S Putt MA  
Mr K Senior LLB FCA  
Mrs S Thompson MA MA MBA  
Dr V Udale MA (retired 04.03.22)  
Mr I Wilson LLB (Hons) LLM

### Nominated Members

Incorporated Guild of Cheltenham Ladies' College: Mrs K Robyns LLB (retired 04.03.22)  
Mrs S Devereaux (appointed 04.03.22)  
Academic Staff of College: Mrs M Henderson MA  
Support Staff of College: Mrs A Wilson LUDDA NCSDDA

Council periodically establishes committees and working groups to provide oversight of specific areas of College's operation. Besides Members of Council, these committees and working groups may include appropriate employees of College and co-opted members.

Each committee has its decisions ratified by Council. Council regularly reviews and evaluates both its performance and the performance of the committees. The membership of the committees of Council operating during the year was as follows:

### Finance and Executive Committee

Mr S Davies (Chair)  
Mr N Baird  
Mr J Briant  
Mr R Denny  
Dr F Pathiraja (from 04.03.22)  
Mrs K Robyns (stood down from committee 04.03.22)  
Mrs C M Webster  
Mrs D Williams (co-opted - stood down 29.11.21)  
Mr I Wilson  
In attendance: Principal, Chief Operating Officer and Finance Director

### **Audit and Risk Committee**

Dr V Udale (stood down as Chair 28.01.22)  
Mrs S Cattermole (Chair from 28.01.22)  
Mrs J Edney (from 04.03.22)  
Ms T Davda  
Mrs M Henderson  
Mrs E Pearson (from 04.03.22)  
Mr K Senior  
Mrs A Wilson  
Ms S Keeling (co-opted)  
In attendance: Principal, Chief Operating Officer and Finance Director

### **Nominations Committee**

Ms S Putt (Chair)  
Mr G Evans (Vice Chair - stood down from committee 04.03.22)  
Mr N Baird  
Ms S Devereaux (from 04.03.22)  
Mr D Pittaway QC (stood down from committee 04.03.22)  
Mrs S Thompson  
Mrs C M Webster  
Mrs C Bates (co-opted)  
Ms S Coleridge (co-opted)  
In attendance: Principal

### **Land and Buildings Committee**

Mrs K Robyns (Chair- stood down from committee 25.02.22)  
Mr I Wilson (Chair from 25.02.22)  
Mr N Baird  
Mr R Denny  
Dr F Pathiraja (from 04.03.22)  
Dr V Udale (stood down from committee 25.02.22)  
Mrs C M Webster  
Mr A Jardine (co-opted)  
In attendance: Principal, Chief Operating Officer, Finance Director, Head of Property Services, Estates Project Manager and Estates Surveyor

### **Education Committee**

Mr G Evans (Chair – stood down from committee 19.11.21)  
Mr D Fotheringham (Chair from 19.11.21)  
Mr N Baird  
Mrs J Edney (from 04.03.22)  
Mrs M Henderson  
Mrs C M Webster  
Prof S Marnette (co-opted - stood down from committee 28.04.22)  
Principal  
Vice Principal Academic  
In attendance: Assistant Head Academic, Co-Curricular Director and Head of Pastoral Care

**Investment Sub-Committee** (a Sub-Committee of the Finance and Executive Committee)

Mr S Davies (Chair)

Mr J Briant

Mr R Denny

Ms L Arnold (co-opted)

In attendance: Chief Operating Officer and Finance Director

**Principal's Appraisal and Remuneration Committee** (a Sub-Committee of the Finance and Executive Committee)

Mr Nick Baird (Chair)

Mr S Davies

Mrs C M Webster

**Corporate Members**

Corporate Members are the members of College as constituted by the Royal Charter. They elect Members of Council and receive the Annual Report but are not involved in the day-to-day running of College. At 31 July 2022 there were 254 Corporate Members.

**LEADERSHIP TEAM**

The day-to-day management of College is delegated to the Principal and her Leadership Team. The Leadership Team during the year and at the date of signing were:

Principal	Ms E Jardine-Young MA
Vice Principal	Mr R Dodds BSc NPQH
Vice Principal Academic	Miss J Adams BSc
Head of Pastoral Care	Miss C Ralph BEd
Director of Admissions	Mrs C Coull BA
Co-Curricular Director	Mr J Potheary MSci
Head of Lower College	Ms C Woodhead BEd
Head of Upper College / Assistant Head Academic	Dr D Gamblin MChem MRSC
Head of Sixth Form College	Mr J Sumner MA
Chief Operating Officer	Mr N Richards BSc
Finance Director	Mrs J Matthews BSc FCA
Director of External Relations	Mrs D Hartley BSc FCIM FRSA
Director of Development and Alumnae Relations	Miss R Ting BA CFRE
Director of Human Resources	Mrs C Grobler BA FCIPD

**SUBSIDIARIES**

College has two wholly owned trading subsidiaries. CLC Services Limited has carried out the trading operations of College during the year. CLC Developments (Cheltenham) Limited has not traded since incorporation.

## RELATED PARTIES

The Incorporated Guild of Cheltenham Ladies' College (Guild) is connected to College because two Directors of Guild are also members of College Council, and a co-opted member of the Guild Board who left during the year is married to a member of College Council. Guild is an association of former pupils of Cheltenham Ladies' College.

Friends of Cheltenham Ladies' College in Hong Kong Limited (Friends of CLC in Hong Kong), registered in Hong Kong, is connected to College because two Directors, one of whom is also a Member of Friends of CLC in Hong Kong are also members of College Council. The principal aim of Friends of CLC in Hong Kong is to raise charitable funds for the advancement of education, to promote and advance any charitable purposes connected with Cheltenham Ladies' College, and to promote other educational charity purposes (whether or not connected with Cheltenham Ladies' College) for the benefit of the local community.

## SOLICITORS

Veale Wasbrough Vizards  
Orchard Court  
Orchard Lane  
Bristol BS1 5WS

Farrer & Co LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH

Harrison Clark Rickerbys  
Ellenborough House  
Wellington Street  
Cheltenham GL50 1YD

## INVESTMENT MANAGER

Cazenove Capital Management  
1 London Wall Place  
London EC2Y 5AU

## BANKER

Lloyds Bank plc  
130 High Street  
Cheltenham GL50 1EW

## BANKER

HSBC UK Bank plc  
60 Queen Victoria Street  
London EC4N 4TR

## AUDITOR

Crowe U.K. LLP  
4<sup>th</sup> Floor St James House  
St James Square  
Cheltenham GL50 3PR

## RISK MANAGEMENT

Council is responsible for the management of the risks faced by College and its subsidiary operating companies. Council is supported by the Audit and Risk Committee, which comprises Members of Council and, from time to time, co-opted members, and also by the Leadership Team. These groups receive input from specialist staff including the Health and Safety Adviser and the Chief Operating Officer.

Continuity between these bodies is maintained through the Audit and Risk Committee, which reviews sections of the College Risk Register termly against five pillars (operational, governance, external, regulatory compliance and financial risk) and reports to full Council. The register identifies specific risks and their triggers, assesses the inherent risk based on likelihood and impact, considers College's risk appetite and finally, identifies the net risk score post mitigation. As the Risk Register is a dynamic document, a link to the live document is provided to all of Council and the Leadership Team.

The Health and Safety Adviser reports termly to the Audit and Risk Committee. Council is also represented at the termly College Health and Safety Committee meetings by a specifically nominated Council member, currently the Chair of ARC. In addition, a separate risk register has been created for the trading subsidiary,

CLC Services Limited which is reviewed by the board of the company on a regular basis and is also monitored by ARC.

The key controls used by College include:

- Formal agendas for all Committee and Council activity;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies and procedures;
- Clear authorisation and approval levels; and
- Setting procedures as required by law for the protection of the vulnerable.

The ongoing impact of Covid-19 and the economic effects of the Russian invasion of Ukraine had a material influence on the risks faced by College.

The main risks identified were:

- Change in future government policy including loss of charitable status and imposition of VAT on school fees;
- A significant reduction to pupil numbers;
- Rising costs due to inflationary pressure;
- Future changes in contribution rates to the Teachers' Pension Scheme;
- Increased demand for parental hardship provision;
- External fraud;
- Compromise of IT systems;
- Over dependence on one source of income; and
- Staff and pupil mental health and wellbeing related to the measures adopted to manage Covid-19 on a national and international basis.

In order to mitigate these risks, as far as is practical, the following controls were adopted:

- Financial modelling during the budgeting and forecasting process to assess the impact of possible changes to government policy that may impact independent education;
- Tight control of costs with a balance between value for money and quality of provision and service;
- Monitoring of key performance indicators;
- Ongoing training in fraud prevention within the Finance function and the wider education of staff across College;
- Certification to ISO 27001 to drive and maintain best practice in the management of IT systems;
- A focus on developing new business opportunities to diversify income;
- Increase in funding for bursary and hardship provision; and
- Support through HR initiatives for staff and an extensive wellbeing programme for pupils.

## OBJECTIVES

College's Royal Charter sets out College's charitable objectives as being:

*"To provide a sound and broadly based education for girls and young women (and also, if so determined by Council, boys and young men) in accordance with Christian principles; and to afford facilities for study and research."*

### Vision

To embody excellence, independence, inspiration and empowerment in the education of women.

### Mission

To support and guide girls in becoming self-determining, fulfilled and resilient women who value, serve and enrich the communities to which they belong in a complex and changing world.

To honour our pioneering heritage through challenge and innovation in the pursuit of academic excellence.

### Values

To promote mutual respect, integrity, courage and the productive exchange of ideas.

To nurture intellectual curiosity, creativity, confidence and an enduring sense of belonging.

College is committed to:

- Providing a secure and caring community in which girls can grow and mature, equipping them for productive and purposeful lives both in and beyond College.
- Recruiting and retaining excellent staff who can lead, support and advise each girl in her personal and intellectual development.
- Every girl having access to an intellectually challenging and coherent curriculum which is exciting, balanced and relevant and which will equip her with the knowledge and skills needed to participate in, and contribute to, a rapidly changing global society.
- Every girl having the opportunity to develop a range of intellectual, sporting and cultural interests, fulfil her potential and leave with a sense of fulfilment and achievement through reflective practice.
- Providing, sustaining and developing high quality teaching and learning with the aim of producing intellectually curious, self-motivated, enthusiastic, successful women who will develop an enduring love of learning throughout their time at College, in Higher Education and in the wider world.
- Each girl successfully balancing academic and co-curricular activities, supported by a pro-active tutorial system to guide and monitor her progress and welfare.
- Providing day and boarding facilities, services, structures and routines to promote each girl's physical and mental wellbeing.
- Promoting positive and enriching integration of different national and cultural groups.
- Making effective use of technology to develop the skills required in a modern world.
- Empowering girls in making positive and meaningful contributions to the communities in which they live, nurturing social awareness, strong communication skills and a sincere desire to care and support others.
- Ensuring each girl feels confident she has access to effective support systems when needed, including medical, wellbeing and spiritual counsel, with each girl having effective mentoring to support and guide her in setting and achieving her goals for personal development and academic progress.

## MEDIUM TERM AIMS

College's medium-term aims include:

- Maintaining pupil numbers and expenditure in line with budget and ensuring College can withstand the ongoing financial impact of Covid-19.
- Ensuring it can continue to recruit and retain high quality staff across all areas of provision.
- Identifying opportunities for continuous improvement with a focus on cost efficiency without impacting the pupil experience.
- Increasing commercial revenue through diversification of income streams.
- Increasing donations to support a greater number of bursary places at College.
- Maintaining high academic standards.
- Working towards College being carbon neutral by 2030.

Specific aims also include:

### **Developments in education and welfare provision**

- To ensure continued compliance with the new National Minimum Standards (NMS) for boarding, and with the Educational Quality and Regulatory Standards.
- To continue to develop and embed best practice in relation to digital education, ensuring staff and pupils receive appropriate training. To raise awareness about safe on-line practices in academic and social contexts.
- To develop Careers and Work Experience provision, mindful of the eight Gatsby Benchmarks that define the best careers guidance provision in secondary schools.
- To develop the Personal, Social, Health and Economic education (PHSE) delivery within wellbeing and Saturday morning enrichment frameworks, to ensure compliance with RSE (Relationships and Sex Education) regulations.
- To provide more empowering opportunities for pupil and staff to develop their skills and capabilities holistically.
- Continue to be active in promoting cultural tolerance and inclusion for all staff and pupils, consistent with the anti-racism stance in College as a whole, and to seek both curricular and co-curricular opportunities to support these values.

### **Developments to the College estate**

- To refurbish St Margaret's to complete the programme to upgrade all of the junior boarding houses.
- To reconsider the Estates Masterplan in the context of Covid-19 and the longer-term implications for international boarding.
- To implement a programme of planned preventative maintenance alongside a reduction in energy consumption.

## REPORT ON OBJECTIVES TO DATE

College's aims of remaining on a sound financial footing by maintaining pupil numbers, keeping a tight control of costs and increasing donations which support the vision for the future of College are extremely important and are discussed elsewhere in this report.

Progress towards the following agreed objectives published last year has continued:

### EDUCATION AND WELFARE PROVISION

The following points are highlights from a wider number of measures through which College is continuously striving to improve the quality and impact of its educational and welfare provision:

#### Education

- An evaluation of the Sixth Form Academic offering has been undertaken with the conclusion that College will continue to offer the IB Diploma programme in addition to A levels. Mindful of the cost pressures, a modest adjustment has been made to number of Modern Foreign Language permutations on offer.
- The decision has been made to introduce Psychology to the Sixth Form Programme from September 2023.
- Extension and enrichment opportunities have been reinvigorated, with pupil led talks (e.g. Forum 42 and Empower Her Voice) in parallel with master classes and other sessions.
- Between September 2022 and September 2023 College is introducing the CLC Digital Device Scheme to facilitate a broader range of activities and enrich the learning experience. Significant planning took place during the year to develop the scheme and to ensure its introduction will empower the pupils to develop lifelong skills, habits and attitudes that will prepare them for the ever-changing digital landscape.
- College hosted a student-led event for the Cheltenham Education Partnership (CEP) focussed on "Inequality", attended by pupils from a large number of secondary schools in Cheltenham. A panel was convened, including Alex Chalk MP and representatives from Cheltenham Borough Council as well as civic leaders.

#### Welfare and Support

- Greater focus is being given to developing our work on inclusion, notably in relation to diversity of faith, ethnicity, neurodiversity, socio-economic, sexual orientation and gender identity. This will continue to be in focus for 2022/23 and beyond.
- Continued enhancements and investment in resources and material to help support pupils, staff and parents across a range of emotional and mental health difficulties have been sought and introduced. This includes a whole-school subscription to Teen Tips, a highly regarded online platform, and the financing of this access for our state school partners locally (Balcarras, Pittville and the High School Leckhampton).
- A significant change to academic staff contracts was made following a major collective consultation, responding to staff feedback about sources of particular stress and difficulty. These changes commenced from September 2022.
- One of the key outcomes of the collective consultation has been the introduction of a new tutor model designed for September 2022, improving the tutor: tutee ratio (smaller tutor groups) and reducing the number of houses that a tutor is attached to.

## COLLEGE ESTATE

- The Land and Buildings Committee provides oversight on behalf of Council for major projects and strategy related to the estate via monthly meetings and reporting, and further governance is provided by both the Finance and Executive Committee and full Council, at least termly.
- The refurbishment of the dormitories in St Margaret's has now been completed as well as the conversion of Gransden to junior boarding accommodation ready for September 2022. Old Sidney Lodge has undergone further work to create additional Sixth Form boarding capacity and a new, temporary Covid-19 quarantine facility has been developed in the lower ground floor of Royal House.
- Ongoing improvements related to health and safety compliance have continued throughout the year and a major programme of upgrading fall arrest systems across the estate for working at height, is nearing completion.
- Tangible progress has been made during the year to implement a planned preventative maintenance programme, working with an external contractor. Sector leading technology has now been deployed to continuously monitor plant across the estate with data feeding from existing building management systems, utilities meter readings and meteorological data, linked to AI software. The insights and recommendations from the data analysis are forecast to drive significant maintenance and energy cost savings in the years ahead.

## PUBLIC BENEFIT

- With approval from Council, additional means-tested support continues to be provided to a number of Ukrainian pupils who are living, together with their relatives, with host families in the local area.
- This has been a good year of relationship-building amongst the members of the Cheltenham Education Partnership (CEP). College continues to play an active role in CEP's Steering and Operational Groups and, along with fellow members, has financially supported the appointment of a part-time administrator for the CEP which will enable the work of the group to become more extensive and even more effective.

The aims and objectives of the CEP are to:

- Provide outstanding educational opportunities for young people in Cheltenham.
- Reach out to all young people with potential, regardless of social, economic or educational background.
- Foster social cohesion in Cheltenham.
- Ensure the best interests of young people are at the heart of education initiatives in Cheltenham.
- Encourage links between schools, colleges, universities and organisations in other sectors including Cheltenham Festivals, Cheltenham Christian arts festival, the Cheltenham Trust and GCHQ for the education and benefit of all members of the community of Cheltenham.
- Promote mutual respect amongst education professionals and students across the state and independent sectors.
- Provide stimulating professional development for teachers and update areas of knowledge, understanding, skills and attitudes.
- Develop an annual programme across the CEP schools, through collaboration and partnership cooperation.

## COLLEGE FUNDRAISING

- College secured £1,733k of voluntary income during the financial year, comprising £1,452k from legacies and £281k of income secured from donations and fundraising events. The Development and Alumnae Relations Department has campaign targets and annual budgets.
- Yet again, legacies continued to play a significant role in fundraising income, with one single bequest from a Guild Member (alumna) of £1,400k restricted to bursary endowment.
- The Pandemic continued to affect fundraising by limiting overseas activities and making it challenging to fully engage our global community. However, College's commitment to expanding the provision of means-tested bursaries (Beale Awards) remains at the forefront of our ambitions, and this year we launched a £10m campaign via <https://flourish.chellladiescollege.org/>
- Beale Awards are at the centre of our values, and we firmly believe in extending the manifold opportunities of a CLC education to young women with potential.
- This year also saw College's first ever Giving Day. Taking place over 36 hours, the online fundraiser was intended to increase participation from the wider CLC community and raise awareness and funds for Beale Awards. We were delighted to receive 376 donations, raising £113k for Bursaries and College's Unrestricted Fund.
- The charity is registered with the Fundraising Regulator and works in a way that is compliant with the Code of Fundraising Practice. In addition, College has its own clear code of conduct regarding fundraising ethics and no complaints about fundraising were received during the year.
- Members of staff in the Development and Alumnae Relations Department are also actively involved with the Institute of Development Professionals in Education (IDPE), the Council for Advancement and Support of Education (CASE), the Certified Fundraising Executive (CFRE), the Chartered Institute of Fundraising (CioF) and Researchers in Fundraising (RIF). During the course of the year, College continued to increase security and due diligence on giving through enhanced 'know your donor' checks and policy reviews.
- In the current and prior year, the charity did not work with any third parties to deliver its fundraising activities (other than the procurement of a specific fundraising platform to support Giving Day, completed with a signed data processing agreement).
- College does not engage in cold-calling, door to door or street fundraising and always works hard to ensure no one feels pressurised to make a donation. College only approaches CLC Community members who are engaged with College to inform them of opportunities to make a gift and never contacts anyone that has opted out of receiving communications about fundraising.

## CARBON NEUTRAL BY 2030

A specific section has been included in the annual report this year, that confirms College's carbon footprint and outlines the measures being taken to target Carbon Net Zero. The updated carbon footprint and progress against the various carbon reduction initiatives will continue to be reported in future annual reports.

## SUSTAINABILITY

College has a stated aim to become carbon net zero. This will be achieved through detailed data capture across the estate and clear strategies designed to reduce CO<sub>2</sub> emissions as far as is practical. The initial focus

is on Scope 1 and Scope 2 emissions although a programme of assessing suppliers for Scope 3 emissions has also begun.

Any new College buildings will be designed to be carbon net zero for both embodied carbon and operational carbon.

The first 8 electric vehicle charging points for staff vehicles are being installed at the Health and Fitness Centre as an incentive to change to more sustainable travel. A programme to electrify the College's fleet of service vehicles has also commenced with the first vehicle on order and a plan to replace the entire fleet by 2030.

Data-logging devices have been deployed across the estate to capture key information in a range of buildings to inform targeted programmes for energy savings. Working with our external supplier, it is expected that a minimum energy saving of 12% will be made in year one and a further 12% saving in year two. The College's electricity supply comes from 100% renewable sources, with the existing contract due for renewal in 2023.

College has a programme of staff and pupil engagement to promote sustainability and to share the initiatives being taken. It is recognised that positive actions by individuals at College will also help accelerate progress towards us being carbon net zero.

Carbon and Energy Reporting Regulations (SECR) are a statutory reporting requirement for large companies (defined as exceeding any two of the following:

- i) Total income >£36M
- ii) Gross assets >£18M
- iii) Employee numbers >250

The information below is for the financial year 2020-21 and is based on a third party audit of College's CO<sub>2</sub> emissions and represents the baseline for future reporting and monitoring of progress.

Category	Year 2020 - 21	
Energy use (KWh)	12,331,137 KWh	Electricity, gas and diesel
Associated greenhouse gas gross emissions tCO <sub>2</sub> e	Scope 1: 1,910 Scope 2: 412 Total: 2,322	
Associated greenhouse gas net emissions tCO <sub>2</sub> e	Scope 1: 1,910 Scope 2: 0 Total: 1,910	
Intensity metric tCO <sub>2</sub> e/ person (staff and pupils combined)	1.50	

**Notes**

- Scope 1 emissions = the amount of gas and fuel consumed by College
- Scope 2 emissions = the amount of electricity consumed by College
- Scope 2 net emissions are 0 based on 100% renewable

## OVERVIEW OF 2021/22

### PUBLIC BENEFIT

Council confirms that it has complied with its duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

Council and College continue to monitor and evaluate the effectiveness and impact of College's public benefit programmes and initiatives, using a considered and strategic approach, and ensuring that they are consistent with College's values and mission. Following a strategic review, College is concentrating on the social impact that can be generated through our public benefit endeavours. It is an important distinction that we are moving towards a focus on outcomes and not outputs, the difference made and not just the numbers involved. To this end, College has commenced a research project with the University of Gloucestershire to establish a social impact matrix which will be used to help us better measure the outcomes we achieve and therefore guide where we focus our energy and efforts for maximum social return.

In 2021/22 College granted means-tested bursaries of £1.62m to 65 pupils. This included 31 pupils who received 100% fees support. College also provides financial assistance towards ancillary costs of attending College, such as uniform and co-curricular activities. Pupils who have benefited from this form of support are invited to become Beale Award Ambassadors.

Support has been provided to those affected by the war in Ukraine. This suite of measures includes; bursaries for fully funded places at College, access to extra-curricular clubs and activities, supporting humanitarian aid trips to Ukraine, and complimentary gym memberships for Ukrainian people resettled in the local area.

College has continued to commit staff time and resource to supporting the work of the Cheltenham Education Partnership (CEP). The CEP unites ten secondary schools in Cheltenham (four independent and six maintained) together with Gloucestershire College, the University of Gloucestershire and associate partners willing to support the shared aims which are to widen and increase the educational opportunities for all young people in the town. The University provides office space, payroll and treasurer support to the group through the employment of a part-time administrator, whose salary is jointly funded by the schools. College has led and hosted several successful CEP events throughout the year.

The other partners of CEP include: Cheltenham Festivals, the Cheltenham Trust, GCHQ, the National Cyber Security Centre (NCSC), Gloucestershire County Council, Cheltenham Borough Council, the Cheltenham Christian Arts Festival, and GFirst Local Enterprise Partnership.

The CEP is an enabler organisation and does not displace the many positive bi-lateral relationships between member schools, and with local primary schools. It seeks to encourage and support new initiatives to expand the horizons of young people in Cheltenham and to help them realise their full potential. Further details can be found on its website <https://www.cepcheltenham.co.uk/contact-us/about-us>

As part of our responsibility and commitment to the wellbeing of our pupils and staff, during 2022 College invested in an online platform offering a suite of resources, webinars and talks (The Wellbeing Hub). This is one strand of a multi-faceted approach to wellbeing. Through this investment we have been able to provide free access to The Wellbeing Hub to three of the other local secondary schools: Balcarras School; Pittville School; and The High School Leckhampton.

College continues to support staff in civic engagement and in particular volunteering time to support other organisations. This includes several staff who are Trustees of other charities and Governors of other schools in Gloucestershire and the surrounding counties.

College's links with local schools such as Christ Church Primary School, Dunalley Primary School, Gloucester Road Primary School, and Battledown Centre for Children and Families, remain strong, as do its relationships with other charities, such as IT Schools for Africa, and with St Hilda's East (an incorporated charity originally set up as a project by Guild in 1889). College also provides an indirect public benefit from its community activities. Pupils at College undertake volunteering and charity work in many forms, including the Community Links scheme, with approximately 200 pupils annually providing over 3,200 hours volunteering in and around Cheltenham on a weekly basis. Activities include supporting literacy and languages at seven primary schools, caring for animals at the local animal shelter, providing drama and music performances in elderly care homes and supporting the Open Door homeless project.

College has supported projects and organisations through use of facilities across the estate for free or at a significantly reduced cost. A notable asset utilised in this way is the Health and Fitness Centre (HFC). The HFC has supported numerous sporting events and competitions, including regular use by local primary schools and events as part of the Government's 'School Games' programme.

Following a brief hiatus due to Covid-19, College continued our support of swimming. This includes a partnership with two local charities (Heidi's Heroes and Move More CIO) to provide intensive swimming lessons to children who have not met the primary school swimming standards. The project is innovative in approach and has been highly successful in ensuring more than 70 children have gained a lifesaving skill during the year. As part of our wider commitment to swimming, College also hosted a performance training day for Down Syndrome Swimming GB and we have commenced discussions with partners about expanding the intensive swimming lessons programme to reach more children across Cheltenham.

## **PUBLIC EXAMINATIONS AND HIGHER EDUCATION DESTINATIONS**

A level results in summary were:	45.8% A*	78.3% A*/A	93.6% A*/A/B
GCSE results in summary were:	81.1% 9/8/A*	92.8% 9/8/7/A*/A	99.6% 9/8/7/A*/A/B

The IB College average was 41.7 points, and the five-year average for 2018-2022 is 40.2 pts (out of a maximum of 45 points).

The data relating to university admission is shown below, with the figures in brackets indicating the total including additional applications from CLC pupils who left College the previous year (2020/21 cohort), whose applications and references were also supported by the PGC at CLC as post-qualification applicants during 2021/22.

Total number of students applying to university:	155	(180)
Number successfully into firm choice (UK UCAS system)	100	(120)
Number into preferred choice (other systems e.g. USA).	21	(22)
Number into Insurance choice	7	

We are always immensely proud of every class of SFC2 leavers as they begin their onward journeys into Higher Education, careers and the rigours and excitement of real life. The data above amounts to 84% of the cohort successfully accessing their firm/preferred or insurance choices and one pupil has elected to start her own business and not to attend University.

Topping the table for CLC confirmed destinations this year are UCL (17), Durham (10), KCL (9), LSE (9), Imperial (8), Cambridge (7), Bristol (6) and Oxford (5) accounting for over 70 pupils (around 46% of the cohort). The range of destinations and breadth of subject choice of the Class of 2022 showcase more than ever the resilience, the forward-thinking empowerment, ambition and the global outlook of these incredible young women.

USA continues to be a very popular destination and CLC pupils from the Class of 2022 took up places at Boston University (5), UCLA (4) and Brown (1). In addition to the US, pupils continue to appreciate the wealth of opportunities at Universities across the globe and pupils from the Class of 2022 will take up places at, for example, McGill (Toronto), National University of Galway (Ireland) and University of Navarra (Spain). Within the UK destinations, pupils continue to reach the very top creative destinations, with pupils achieving very competitive places at The University of the Arts (London) and London College of Fashion.

It is the breadth, variety and independence of thought demonstrated by these destinations that stand out, to highlight just a few: Engineering (Renewable Energy) at Durham, Global Humanitarian Studies at UCL, Psychology at KCL, Aeronautical Engineering at Imperial, Architecture at Bath, Liberal Arts at Exeter, Film and Television at University of the Arts London and Economics and Computing at Imperial.

Holistically, it is clear that the CLC leavers are thinking into the future, thinking about employability and thinking globally. The CLC mission statement highlights our overarching aim to 'embody excellence, independence, inspiration and empowerment in the education of women' and to 'support and guide girls in becoming self-determining, fulfilled and resilient women who value, serve and enrich the communities to which they belong in a complex and changing world'. The Class of 2022 is the embodiment of this vision. We are particularly proud of all they have achieved, and all that they have become.

## CO-CURRICULAR

Co-curricular is a busy, vibrant and essential part of life at College. Our goal is to encourage students to be involved in the co-curricular life of College in their own way, physically and intellectually, by leading and through being part of a team. The provision remains exceptionally broad and leavers continue to list the co-curricular life of College as one of the most enjoyable and memorable aspects of their time with us.

All of our clubs and societies moved back into being in person this year. We kicked off the year with our annual "activities fair" where students were able to talk to the staff and Sixth Form students running clubs and find out more about what they are interested in doing. With over 50 student led clubs this year we have been impressed with the students' enthusiasm. Sport and Music clubs are still some of the most popular, alongside clubs run by other departments such as Model United Nations.

Our paid extras programme of Drama, Music, MFL, Dance, Tennis, Riding, and Golf either resumed or returned to in-person lessons. Students and staff were delighted to be able to be back in the room together. There has been a trend this year for more Trinity based drama lessons and in the Music department we have seen an uptake in percussion.

There were many performance opportunities this year. The Music department had another superb year which was kicked off with the much-loved College tradition of the House Music Competition. The department also ran a Brass concert, multiple lunchtime concerts, a Choral concert, a Chamber music concert, the May concert, a Singers' Teatime concert, and the Junior concert. This year we hosted a Strings Masterclass, Jazz Workshop, and a Brass Workshop. As part of the Saturday Enrichment Programme all LC1 students were also able to partake in a Gamelan Workshop. There were opportunities for our music scholars to perform in four music scholars' recitals: LC1&2, LC3, UC, and SFC. This year we had the internal music competitions for Singing and for Woodwind, Brass and Percussion. The three major concerts took place at Christmas, Spring and Summer. It was wonderful to have the continuation of "Bach at Break" throughout the year. The Drama department put on *Things I Know To Be True* and *Living with Lady MacBeth*. There were also two evenings of productions from the LC1&2 year groups. We were treated to an original play by a student, *Remember Me* which looked at the struggles of family life and dementia. Congratulations to the staff and students who wrote and produced a play *What we know about the French language (or not)* entirely in French. The annual tradition continued with the Shakespeare Festival running over two evenings with performances from students right across College. On top of all this the students also got involved with two Library Music Nights and the

"Bambray" music festival. This year we were treated to an adaptation of *The Nutcracker* ballet which was performed by our dance students. We were also lucky to have the students perform in a Musical Theatre Showcase in the PAC.

Outdoor Education has been as popular as ever this year with Duke of Edinburgh Canoeing and Walking expeditions for Bronze, Silver and Gold. Every effort was made to enable students to partake in the scheme, even after the disruptions of previous years. There were also the annual outings with the LC1 Adventure Day at the start of the academic year for some team building, the LC2 camp, and the LC3 camp.

This has been an incredibly busy year again for our Community Service team, the Community Links and Charities Coordinator have done an incredible job at getting every SFC student interested in being part of the programme. The impacts of the pandemic continue to be felt for our Community Links Programme with many of our venues continuing to limit numbers of students. However, through the running of a rolling two week timetable our students have benefited from being able to work with and give back to our local community.

## FINANCIAL REVIEW

The consolidated statement of financial activities for the year is set out on page 29 and includes the consolidated activities of the legal entity described in note 29.

The financial statements comply with the Charity's Royal Charter and Supplemental Charters and applicable Accounting Standards in the United Kingdom, including the Statement of Recommended Practice SORP 2019 (FRS102).

The consolidated group surplus for the year ended 31 July 2022 is £3.9m, of which £1.2m is restricted to purposes specified by the donor. Overall the results were supported by the single large legacy (£1.4m), an exceptional accounting adjustment (£0.6m – detail below), a full school and continuous careful cost management.

The Group results include the trading activities for CLC Services Limited, a wholly owned trading subsidiary which returned to profitability during the year and generated an annual profit of £0.3m (2021: £0.3m loss). A gift aid payment to College was however not possible in the year due to retained trading losses incurred during the previous two years, driven by the direct impacts of the pandemic. It is fully expected a gift aid payment will be possible in 2023 with the entity targeting a second consecutive year of growth and profitability.

The consolidated net income for the year to July 2022 is £37.1m, an increase of £5.7m on prior year. During the year College was full to an optimal pupil number, a level that College will manage to going forward. College also returned to more normal levels of activity with a rich and diverse co-curricular offering. In comparison, during periods of national lockdown in 2021, an amount equal to College cost savings and furlough grant income was passed back to parents as fee rebates (£1.8m). Fundraising income has also increased during the year to £1.7m (2021: £1.0m), boosted by an individual large legacy of £1.4m (restricted to endowed bursaries) and the truly humbling support of the entire community to the CLC Giving Day.

Total expenditure increased by £1.3m to £32.9m compared to 2021, but after excluding an exceptional accounting adjustment relating to business rates on a key building within the College estate (£0.6m), the underlying year on year increase to expenditure is £1.9m. Year over year non-staff costs were higher due to normalised levels of activities compared to the prior period when normal College activities were significantly curtailed by national lockdowns. Staff costs in both 2022 and 2021 represent just over 60% of total expenditure and College remains committed to being a real living wage employer and an employer of choice. College has remained in the Teachers' Pension Scheme for now and continues to actively monitor and review its participation in the future linked to affordability.

College's investments suffered from general market volatility linked to the war in Ukraine and global market uncertainty, resulting in a reported investment loss of £0.3m (2021: £0.9m gain). Investment income levels have however been maintained, reflecting College's selection of an investment fund which targets a more stable pattern of distributions even in times of market volatility.

It is the policy of College to maintain sufficient free cash and facility headroom. Cashflow from operating activities was £3.4m higher than the prior year due to a return to normal operations and a full school. College continued to purchase JP Morgan Liquidity units to ensure capital preservation and manage counter party banking risk through a diverse fund. College also has committed access to a HSBC Revolving Credit Facility (RCF) of £16.0m (until July 2026), which was not utilised during the year but is readily available, as required, to support the next stage of the Estates Masterplan. Investment in the estate was £2.9m (2021: £1.2m) across a diverse range of projects supporting the key strategic aims of educational excellence and welfare and wellbeing.

Overall College met the financial performance targets set by Council which will strengthen our ability to meet our strategic aims, enable us to competitively reward our valued staff, mitigate financial risk (change in charitable status, cost of living crisis and energy inflation), invest in our estate and ensure the likelihood of long-term College fee affordability.

## TRUST FUNDS

Council is the sole trustee of the Trust Funds, which are consolidated in the main accounts of the Group. All the Trust Funds are subsidiary charities of College and carry the same charity registration number. Each of the Trust Funds has different objectives but, as a whole, they generate income to provide grants for pupils, past pupils, staff and former members of staff in cases of financial hardship, or for academic excellence.

The endowment funds have been built up over many years of generous donations to College for a variety of purposes, but in the main relate to bursaries. Since 2017 College has signed Declarations of Trust to permanently endow some large legacies from Guild members, as recognition of its commitment to the bursary programme, these have totalled £2.03m. The endowments are important to the long term success of the College, and in particular to supporting and growing the bursary programme.

Council's investment powers over money held by the Trust Funds are governed by the Royal Charter and subsequent Supplemental Charters, which permit the funds to be invested in the manner shown in note 12 to the Financial Statements. College utilises Total Return investing for the endowed funds on the authority of a Charity Commission order dated 5 June 2007. College invests endowed funds at its discretion under both capital accumulation and income units, allocation out of the Unapplied Total Return balance can be made at any time at the Council's discretion in accordance with the Charity Commission order. Council accounts for its permanent and expendable endowments in the same way and consider this is in the best interests of College, this is reviewed annually by the Investment Sub Committee.

Further information about the investments held is included in notes 12, 20, 21 and 22 to the Financial Statements.

The Investment Policy adopted by Council reads:

*Funds are to be invested at an acceptable level of risk so that the real value of capital will be maintained over a three to five-year period.*

## INVESTMENT POWERS, POLICY AND PERFORMANCE

College places the capital of the Trust Funds and a significant portion of the liquid assets of the Restricted and Unrestricted Funds with an Investment Manager who has full discretionary powers. The Investment Manager to College is Cazenove Capital Management who are the largest charity investment manager in the UK and are backed by the significant resource of a global management company, Schroders. During the year there were two meetings between the discretionary managers and the Investment Sub-Committee to review the performance of the portfolio in detail.

During the year to 31 July 2022 College's investment portfolio continued to be invested in Cazenove's Responsible Asset Fund (RMAF), a fund which is focused on sustainability. RMAF is an Investment Fund approved by the Charity Commission and managed by Cazenove. It is a fund of funds investing in a broad range of asset classes including equities, fixed income, hedge funds and property. The fund targets a long-term total return of inflation (CPI) plus 4% over rolling 10-year periods.

College invests in a mixture of income and accumulation units to match the income profile of the various funds. Cazenove charges College a fee for managing the fund, with a refund of any fees Cazenove earns from

managing any of the underlying investments. All funds are UK registered funds. However, a certain number of the underlying investments are based outside the UK.

In the year ended 31 July 2022 the applied return of the Trust Funds amounted to £191k (2021: £172k). This enabled grants and prizes to be awarded of which £169k (2021: £139k) was transferred to College in respect of bursaries and scholarships.

## **RESERVES**

Council aims to hold sufficient resources to secure the long-term future of College. Council considers a number of types of resources including well-maintained buildings, financial resources and reserves. Council's policy regarding reserves is to build reserves within the confines of ensuring College's buildings are well maintained and College has sufficient financial resources to finance its activities. College's on-going investment in its buildings leads to College having negative free reserves. Council is satisfied with this position given College's overall financial position.

College has total reserves of £67.0m and negative free reserves of £1.3m. Total reserves comprises Endowed, Restricted and Designated Funds of £11.8m and Unrestricted, Undesignated Funds of £55.2m; the latter including the pension reserve of £29k.

Accumulated surpluses have been fully utilised investing in College's estate and there are no free reserves at the balance sheet date. Free reserves represent College's unrestricted funds (excluding fixed assets and designated funds), that is freely available to spend on any of the charity's purposes. Future operating surpluses and the £16.0m RCF will be used to enhance further College's physical and educational resources. Council reviews College's financial plans on a termly basis by monitoring income and expenditure against budget forecasts within the context of the annual and medium-term financial plan. Cash flows are also closely reviewed, particularly in light of College's planned borrowing.

College's policy relating to the various funds is set out below:

### **i) Endowed Funds**

The Endowed Funds represent the capital assets of the Trusts and other endowed funds. The policy covering the Endowed Funds is covered by the investment policy described earlier in the financial review.

### **ii) Restricted Funds**

Council aims to expend the assets of the restricted funds as soon as reasonably possible with the restrictions imposed on those funds. All restricted funds are expected to be expended within seven years, that being the maximum period a pupil can benefit from a means-tested bursary.

### **iii) Designated Funds**

Council aims to expend the assets of the designated funds within the internally designated purpose.

The application of the income of the various funds is shown in note 20 to the Financial Statements.

## STATEMENT OF COUNCIL'S RESPONSIBILITIES

The Trustees are responsible for preparing the Council's Annual Report and the financial statements in accordance with applicable law and FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Trustees are required to:

- select the most appropriate accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and Group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Annual Report and accompanying financial statements were approved by Council on 2<sup>nd</sup> December 2022.



Nick Baird  
Chair  
02 December 2022

# **INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF THE CHELTENHAM LADIES' COLLEGE**

## **OPINION**

We have audited the financial statements of The Cheltenham Ladies' College for the year ended 31 July 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 group 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 Council's 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 or the group'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**

Council are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **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 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of Council; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **RESPONSIBILITIES OF COUNCIL**

As explained more fully in the Statement of Council's Responsibilities statement, Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as Council 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, Council are responsible for assessing the group and the parent 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety Regulation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Council and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be recognition of fee concessions and legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over fee concessions, discounts and legacy income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the

charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

Crowe U.K. LLP  
Statutory Auditor  
4<sup>th</sup> Floor St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 09 December 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and Endowments from:</b>						
<b>Charitable activities</b>						
Fee income	2	31,498	-	-	31,498	27,310
Ancillary trading income		1,749	-	-	1,749	1,087
Other income	3	102	-	-	102	1,198
<b>Voluntary sources</b>						
Donations and legacies	4	98	235	1,400	1,733	981
<b>Other trading activities</b>						
Non-ancillary trading income	5	1,716	-	-	1,716	610
<b>Investments</b>						
Investment income and interest	6	34	21	298	353	273
<b>Total income and endowments</b>		<b>35,197</b>	<b>256</b>	<b>1,698</b>	<b>37,151</b>	<b>31,459</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Fundraising		355	-	-	355	339
Non-ancillary trading	5	987	-	-	987	877
Financing costs	8	107	-	-	107	103
Investment management costs		10	1	10	21	10
		1,459	1	10	1,470	1,329
<b>Charitable activities</b>		<b>31,013</b>	<b>430</b>	<b>-</b>	<b>31,443</b>	<b>30,239</b>
<b>Total expenditure</b>	7	<b>32,472</b>	<b>431</b>	<b>10</b>	<b>32,913</b>	<b>31,568</b>
<b>Net incoming / (outgoing) funds from operations before investment gains and losses</b>						
		<b>2,725</b>	<b>(175)</b>	<b>1,688</b>	<b>4,238</b>	<b>(109)</b>
<b>Net (losses) / gains on investments</b>						
		<b>-</b>	<b>(30)</b>	<b>(299)</b>	<b>(329)</b>	<b>945</b>
<b>Net income / (outgoing)</b>		<b>2,725</b>	<b>(205)</b>	<b>1,389</b>	<b>3,909</b>	<b>836</b>
<b>Transfers between funds</b>						
		(78)	(2)	80	-	-
<b>Total return transfers between funds</b>						
		-	191	(191)	-	-
Actuarial gains on defined benefit pension schemes	23	10	-	-	10	38
<b>Net movement in funds</b>		<b>2,657</b>	<b>(16)</b>	<b>1,278</b>	<b>3,919</b>	<b>874</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		53,208	2,110	7,774	63,092	62,218
<b>Total funds carried forward</b>	20	<b>55,865</b>	<b>2,094</b>	<b>9,052</b>	<b>67,011</b>	<b>63,092</b>

The notes on pages 32 to 52 form part of these financial statements.

## BALANCE SHEETS AS AT 31 JULY 2022

	Notes	Group		Charity	
		2022	2021	2022	2021
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	11	56,511	58,410	56,908	58,808
Investments	12	22,729	12,405	22,895	12,571
		<b>79,240</b>	<b>70,815</b>	<b>79,803</b>	<b>71,379</b>
<b>CURRENT ASSETS</b>					
Stocks	13	61	58	54	16
Debtors	14	11,022	9,041	11,110	9,299
Cash at bank and in hand		3,070	6,992	2,871	6,878
		<b>14,153</b>	<b>16,091</b>	<b>14,035</b>	<b>16,193</b>
<b>CURRENT LIABILITIES</b>					
Creditors payable within one year	15	(19,900)	(18,496)	(19,797)	(18,313)
<b>NET CURRENT LIABILITIES</b>		<b>(5,747)</b>	<b>(2,405)</b>	<b>(5,762)</b>	<b>(2,120)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>73,493</b>	<b>68,410</b>	<b>74,041</b>	<b>69,259</b>
<b>LONG-TERM LIABILITIES</b>					
Creditors: amounts payable in more than one year	16	(6,453)	(5,272)	(6,453)	(5,272)
Defined benefit pension scheme liability	23	(29)	(46)	(29)	(46)
<b>NET ASSETS</b>		<b>67,011</b>	<b>63,092</b>	<b>67,559</b>	<b>63,941</b>
<b>REPRESENTED BY:</b>					
Endowment Funds	20	9,052	7,774	9,052	7,774
Restricted Funds	20	2,094	2,110	2,094	2,110
<b>Unrestricted Funds</b>					
Unrestricted Funds	20	55,894	53,254	56,442	54,103
Pension Reserve	20	(29)	(46)	(29)	(46)
<b>TOTAL FUNDS</b>	21	<b>67,011</b>	<b>63,092</b>	<b>67,559</b>	<b>63,941</b>

The financial statements on pages 29 to 52 were approved and authorised for issue by the Council on 02 December 2022.



Nick Baird  
Chair

The notes on pages 32 to 52 form part of these financial statements.

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2022

	<i>Notes</i>	<b>2022</b> <b>£'000</b>	2021 £'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	24	9,189	5,761
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income and interest received		189	172
Proceeds from sale of tangible fixed assets		6	6
Net additions to investment portfolio		(10,512)	(4,611)
Purchase of tangible fixed assets		(2,794)	(1,170)
<b>Net cash used in investing activities</b>		<b>(13,111)</b>	<b>(5,603)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(3,922)</b>	<b>158</b>
Cash and cash equivalents at the beginning of the year		6,992	6,834
Cash and cash equivalents at the end of the year		<b>3,070</b>	<b>6,992</b>

The notes on pages 32 to 52 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Principal Accounting Policies

College is a Public Benefit Entity registered as a charity on 13 July 1966 in England and Wales (charity number: 311722) and was granted Royal Charter on 20 March 1935 (number RC000111) with supplemental charters granted 22 December 1955, 26 June 1991, 24 July 2002 and 8 October 2015. Principal address is Bayshill Road, Cheltenham, Gloucestershire GL50 3EP.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Statement of Recommended Practice (SORP(FRS102)) 'Accounting and Reporting by Charities' effective 1 January 2019 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities that prepare their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

### Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Council is required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

At 31 July 2022, College had the following uncertain estimates and accounting judgements:

- Accrued legacies of £1,400k (2021: £395k). The value of accrued legacies is based on available information and estimated values of assets. College recognises residual legacies on receipt of probate which therefore requires an estimation of the amount to be included.
- Bad debt provision at 31 July 2022 of £253k (2021: £298k). The provision is calculated on outstanding debts at the year-end where recoverability is doubtful.
- Depreciation charge during the year of £4,399k (2021: £4,358k). Depreciation is calculated on estimated life of assets by categories. It is reviewed annually to assess the reasonableness.

Summaries of the principal group accounting policies, which have been applied consistently, are set out below.

#### a. Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, modified by the revaluation of investment assets.

#### b. Basis of consolidation

The Consolidated Statement of Financial Activities (SOFA), the Consolidated Balance Sheets and the Consolidated Cash Flow Statement include the financial statements of the charity and its subsidiary undertakings made up to 31 July 2022. The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement within the consolidated financial statements. The results of the Charity are disclosed in note 30.

**c. Going concern**

College has reviewed its forecasted cash flows, taking into account expected continuing demand for pupil places, reserves and funding facilities available. These provide sufficient cash resources for operations. Council has a reasonable expectation that College has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of the of these financial statements. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

**d. Donations, legacies and other voluntary income**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to College is considered probable.

Voluntary income for College's general purposes is accounted for as unrestricted and is credited to the Unrestricted Fund. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to College in the case of donated services or facilities.

Pecuniary legacies are recognised once probate has been granted and notification received. Residuary legacies are recognised once probate has been granted, notification has been received and where they can be reliably valued.

**e. Fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

**f. Trading activities**

Trading income comprises the trading activities of College and the subsidiaries and is credited to the Statement of Financial Activities on a receivable basis.

**g. Fees in advance**

College offers parents the opportunity to pay for between two and seven years' tuition fees in advance in accordance with a written contract. All contracts guarantee parents' future cash flows to be applied against the fees. All fees in advance received form part of College's funds.

**h. Refundable deposits**

Refundable deposits are deposits placed when pupils join College and are refunded at the end of the final term after deducting any outstanding debts.

**i. Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings which aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

**j. Bursaries, grants and allowances payable**

Grants from restricted funds are included as expenditure in the period for which the award is given. Bursaries and allowances from unrestricted funds are treated as a reduction in those fees.

**k. Irrecoverable VAT**

Any irrecoverable VAT is charged to the statement of financial activities, under the particular heading to which the expense relates, or capitalised as part of the cost of the related asset, where appropriate.

## **l. Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the statement of financial activities.

The functional and presentational currency of College is considered to be GBP because that is the currency of the primary economic environment in which College operates.

## **m. Cash at bank and in hand**

Cash at bank and in hand are amounts held in cash, bank accounts, short-term deposit accounts and amounts held in highly liquid investments. All amounts recognised can be accessed within three months.

## **n. Recognition of debtors**

Debtors are recognised when an asset arises which will transfer economic benefits to College or its subsidiaries as a result of past transactions or events.

## **o. Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits from College or its subsidiaries as a result of past transactions or events.

## **p. Fund accounting**

Unrestricted Funds are available for use at the discretion of Council in furtherance of the general objectives of the charity.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by College for particular purposes.

Designated Funds comprise general funds which have been set aside at the discretion of the Trustees for specific purposes.

Endowment Funds are funds for which capital is maintained in accordance with the specific restrictions imposed by the donors. The aim of the Endowment Funds is to provide income to be used for scholarships, bursaries, former members of staff and pupils in cases of financial hardship, leaving exhibitions and prizes. The income from the Endowment Funds is restricted.

Investment income and gains are allocated to the appropriate fund. The cost of administering these funds is charged against the specific fund. The aim and use of the major Designated and Restricted Funds are set out in the notes to the financial statements.

## **q. Pension costs**

College contributes to the Teachers' Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator. College also contributes to a defined contribution scheme which all staff are entitled to join.

College pays certain discretionary pensions, which are not funded. The pension liability in respect of these obligations is recognised in the balance sheet.

Further details in respect of the unfunded pension liability are contained in note 23. All pension costs are charged to Unrestricted Funds.

## **r. Operating leases**

Rentals applicable to operating leases are charged to the statement of financial activities on a straight-line basis over the lease terms.

## **s. Tangible fixed assets**

### *i. Capitalisation and replacement*

Historic assets consisting of works of art and manuscripts donated to or bought by College are included on the Balance Sheet at either 1990 or 1997 valuation, which is the best estimate of cost. All other assets, including those under the course of construction, are included at their purchase price together with any incidental expenses of acquisition less accumulated impairment losses. Assets with a cost below £1,000 are not capitalised, with the exception of IT equipment where items costing in excess of £500 are capitalised.

### *ii. Depreciation*

Land and works of art are not depreciated. Depreciation of other assets is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. Assets in the course of construction are not depreciated until they are brought into use. The principal annual rates used for this purpose are:

	%
College buildings	2
Improvements to existing buildings	3-25
Teaching equipment	7-33
Office equipment	13-25
Motor vehicles	10-25

## **t. Investments**

Investments in subsidiary undertakings are stated at cost, but are written down to their realisable value if it is considered that there has been a permanent diminution in their value. Listed investment assets are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are combined in the statement of financial activities. Income from investments is included in the year in which it is receivable.

## **u. Stocks**

Stocks are stated at the lower of cost and net realisable value.

## **v. Total Return accounting**

The Charity Commission permitted College to adopt the use of total return in relation to its permanent endowment funds on 5 June 2007. The power permits the Trustees to invest these funds to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until the Trustees decide to appropriate all of the Total Return, the unapportioned portion of the Total Return shall be an 'Unapplied Total Return' and remain as part of the endowment.

## **w. Financial instruments**

Financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and on short term deposit and used as working capital. Financial liabilities held at amortised cost comprise all creditors except deferred income, fees in advance and social security and other taxes and provisions. Financial liabilities held at fair value comprise the defined benefit pension liability.

## **x. Borrowing costs**

Borrowing costs which are directly attributable to the construction of qualifying assets are capitalised. They are defined as the borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs which are not capitalised are charged to Finance costs.

## y. Government Grants

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the College has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlements occurs before income is received, the income is accrued. Where income is received in advance of the College having entitlement to the funds the income is deferred.

## 2. Fee income

	2022 £'000	2021 £'000
Gross fees	33,770	31,550
Less: Total Bursaries and Scholarships	(2,072)	(2,392)
Less: Virtual CLC fee reduction	-	(1,762)
Less: Other Discounts	(510)	(500)
	<b>31,188</b>	<b>26,896</b>
Add back: Bursaries and Scholarships paid for by Restricted Funds	310	414
Net Fee Income	<b>31,498</b>	<b>27,310</b>

## 3. Charitable activities – other income

	2022 £'000	2021 £'000
Government grants receivable	-	1,030
Staff restaurant	33	21
Gain on disposal of tangible fixed assets	6	6
Other income	63	141
	<b>102</b>	<b>1,198</b>

## 4. Voluntary income

	2022 £'000	2021 £'000
Donations	270	782
Legacies	1,452	199
Fundraising events	11	-
	<b>1,733</b>	<b>981</b>

## 5. Trading activities

	CLC Services Ltd £'000	College £'000	Intercompany Adjustments £'000	2022 Total £'000	2021 Total £'000
Turnover	1,706	419	(409)	1,716	610
Cost of sales	(1,358)	-	397	(961)	(703)
Gross Profit / (Loss)	348	419	(12)	755	(93)
Operating costs	(46)	(1)	21	(26)	(174)
Operating Profit / (Loss)	302	418	9	729	(267)
Gift Aid to College	-	-	-	-	-
Retained in subsidiary	302	N/A	N/A	N/A	N/A
Shareholder's funds	24	N/A	N/A	N/A	N/A

## 6. Investment income

	2022 £'000	2021 £'000
Income from investment funds	353	270
Bank and building society interest	-	3
	<b>353</b>	<b>273</b>

## 7. Analysis of expenditure

### a. Total expenditure

	Staff costs £'000	Depreciation £'000	Other costs £'000	2022 £'000	2021 £'000
Cost of generating funds					
Fundraising and development costs	333	-	22	355	339
Cost of goods sold	802	3	182	987	877
Investment management	-	-	21	21	10
Financing costs	-	-	107	107	103
	<b>1,135</b>	<b>3</b>	<b>332</b>	<b>1,470</b>	<b>1,329</b>
Charitable activities:					
Teaching	10,741	349	999	12,089	12,092
Welfare	5,143	1	2,266	7,410	6,527
Premises repairs and maintenance	873	4,046	2,172	7,091	6,903
Premises operational costs	-	-	1,138	1,138	1,373
Awards	-	-	348	348	432
Support costs and governance	1,997	-	889	2,886	2,533
Marketing	322	-	159	481	379
College operations	<b>19,076</b>	<b>4,396</b>	<b>7,971</b>	<b>31,443</b>	<b>30,239</b>
<b>Total expenditure</b>	<b>20,211</b>	<b>4,399</b>	<b>8,303</b>	<b>32,913</b>	<b>31,568</b>
Total expenditure 2021	19,818	4,358	7,392	31,568	

All the support costs are directly attributable to the one charitable activity, namely education.

### b. Grants, awards and prizes

	2022 £'000	2021 £'000
<b>From Restricted Funds</b>		
Bursaries, scholarships and grants	310	414
Prizes and leaving awards	31	11
	<b>341</b>	<b>425</b>

### c. Governance included in support costs

	2022 £'000	2021 £'000
Auditor remunerations – statutory audit (net of VAT)	28	28
Auditor remunerations – tax services (net of VAT)	1	1
Auditor remunerations – other non-audit services (net of VAT)	5	5
Reimbursement of personal expenses to Council	5	-
Other governance costs	82	94
	<b>121</b>	<b>128</b>

Fourteen Council Members (2021: four) have been reimbursed expenses or had expenses paid on their behalf by College totalling £5k (2021: £0.4k). Expenses claimed are directly attributable to their duties as trustees (e.g. travelling to and from meetings).

## 8. Finance and other costs

	2022 £'000	2021 £'000
Loan interest	90	90
Defined benefit pension scheme finance costs	1	-
Other costs	16	13
	<b>107</b>	<b>103</b>

## 9. Staff costs

	2022 Number	2021 Number
The average number of persons employed by the group during the year was:		
Education	313	308
Welfare	96	91
Support, premises, catering and domestic	220	221
Fundraising and marketing	16	16
Trading subsidiaries	55	64
	<b>700</b>	<b>700</b>

	2022 Number	2021 Number
The average full time equivalent persons employed by the group during the year was:		
Education	186	186
Welfare	48	45
Support, premises, catering and domestic	141	145
Fundraising and marketing	13	13
Trading subsidiaries	26	29
	<b>414</b>	<b>418</b>

	2022 £'000	2021 £'000
Staff costs		
Wages and salaries	16,213	16,014
Social security costs	1,506	1,458
Pension costs	2,492	2,346
	<b>20,211</b>	<b>19,818</b>

	2022 Number	2021 Number
The number of employees whose emoluments exceeded £60,000 were:		
£60,001 - £70,000	8	9
£70,001 - £80,000	4	4
£80,001 - £90,000	2	2
£90,001 - £100,000	3	4
£100,001 - £110,000	1	1
£140,001 - £150,000	1	1
£200,001 - £210,000	1	-
£280,001 - £290,000	-	1

In the year ended 31 July 2021 a number of employees reported in these emoluments received additional responsibility payments in response to the Covid-19 pandemic. The £280,001 to £290,000 band of emoluments in the year ended 31 July 2021 includes a one-off aggregate payment to reimburse professional costs arising in relation to past service. Excluding this one-off sum, the employee included in that band would instead be included in the £210,001 - £220,000 band.

Key management personnel are College's Leadership Team and during the year consisted of fifteen members (2021: fourteen). The total employee benefits, including employer National Insurance and pension contributions, of these personnel were £1,737k (2021: £1,837k).

The total amount relating to termination payments during the year was £31k (2021: £89k). These amounts relate to agreements made with employees to end employment contracts and settle reimbursement of professional costs, of which £3k was outstanding at the year end (2021: £44k).

No Council members received remuneration from College (2021: none).

## 10. Taxation

College is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

College and CLC Services Limited are group-registered for VAT. College and CLC Services Limited expenditure is recorded inclusive of VAT, subject to partial exemption rules.

## 11. Tangible fixed assets

### a. Group

	Assets Under Construction	Freehold Land and Buildings	Furniture, Fittings and Equipment	Works of Art	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
Balance at 1 August 2021	13	95,394	4,058	1,639	414	101,518
Additions	1	2,288	249	-	19	2,557
Disposals	-	(339)	(31)	-	(1)	(371)
Impairment	(1)	-	-	-	-	(1)
	13	97,343	4,276	1,639	432	103,703
<b>Accumulated depreciation</b>						
Balance at 1 August 2021	-	40,390	2,385	-	333	43,108
Charge for year	-	4,046	330	-	23	4,399
Disposals	-	(287)	(27)	-	(1)	(315)
	-	44,149	2,688	-	355	47,192
<b>Net book value at 31 July 2022</b>	<b>13</b>	<b>53,194</b>	<b>1,588</b>	<b>1,639</b>	<b>77</b>	<b>56,511</b>
<b>Net book value at 31 July 2021</b>	<b>13</b>	<b>55,004</b>	<b>1,673</b>	<b>1,639</b>	<b>81</b>	<b>58,410</b>

*b. Charity*

	<b>Assets Under Construction</b>	<b>Freehold Land and Buildings</b>	<b>Furniture, Fittings and Equipment</b>	<b>Works of Art</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>						
Balance at 1 August 2021	13	95,802	3,950	1,639	414	<b>101,818</b>
Additions	1	2,288	241	-	19	<b>2,549</b>
Disposals	-	(339)	(18)	-	(1)	<b>(358)</b>
Impairment	(1)	-	-	-	-	<b>(1)</b>
	<b>13</b>	<b>97,751</b>	<b>4,173</b>	<b>1,639</b>	<b>432</b>	<b>104,008</b>
<b>Accumulated depreciation</b>						
Balance at 1 August 2021	-	40,390	2,286	-	333	<b>43,009</b>
Charge for year	-	4,046	327	-	23	<b>4,396</b>
Disposals	-	(287)	(17)	-	(1)	<b>(305)</b>
	<b>-</b>	<b>44,149</b>	<b>2,596</b>	<b>-</b>	<b>355</b>	<b>47,100</b>
<b>Net book value at 31 July 2022</b>	<b>13</b>	<b>53,602</b>	<b>1,577</b>	<b>1,639</b>	<b>77</b>	<b>56,908</b>
<b>Net book value at 31 July 2021</b>	<b>13</b>	<b>55,412</b>	<b>1,664</b>	<b>1,639</b>	<b>80</b>	<b>58,808</b>

Land of £5,490k and Works of Art of £1,640k are not depreciated.

Assets under construction of £1k (2021: £20k) were impaired during the year as strategic plans for some buildings and affordability considerations have changed as a direct result of Covid-19.

## 12. Fixed asset investments

*a. Group*

	<b>Investment Assets</b>	<b>Cash for reinvestment</b>	<b>Programme Related Investments</b>	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Valuation</b>					
At 1 August 2021	12,275	5	125	<b>12,405</b>	6,759
Additions	15,722	443	-	<b>16,165</b>	12,414
Disposals	(5,487)	(4)	-	<b>(5,491)</b>	(7,703)
Net revaluation (loss) / gain	(329)	-	-	<b>(329)</b>	945
Investment management fees	(15)	(6)	-	<b>(21)</b>	(10)
<b>Market value at 31 July 2022</b>	<b>22,166</b>	<b>438</b>	<b>125</b>	<b>22,729</b>	<b>12,405</b>
<b>Historical cost at 31 July 2022</b>	<b>21,969</b>	<b>438</b>	<b>125</b>	<b>22,532</b>	<b>11,912</b>

*b. Charity*

	Investment Assets	Investment in CLC Services Ltd	Investment in CLC Developments (Cheltenham) Ltd	Cash for reinvestment	Programme Related Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Ordinary shares	-	166	-	-	-	166
<b>Total for subsidiaries</b>	<b>-</b>	<b>166</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166</b>
<b>Investments</b>						
Endowment Fund	7,651	-	-	4	-	7,655
Restricted Funds	1,624	-	-	-	-	1,624
Unrestricted Funds	12,890	-	-	435	125	13,450
<b>Market value at 31 July 2022</b>	<b>22,165</b>	<b>166</b>	<b>-</b>	<b>439</b>	<b>125</b>	<b>22,895</b>
Market value at 31 July 2021	12,275	166	-	5	125	12,571

**13. Stocks**

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Stationery and consumables	25	20	25	16
Goods for resale	36	38	29	-
	<b>61</b>	<b>58</b>	<b>54</b>	<b>16</b>

**14. Debtors: falling due within one year**

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Fees	8,797	8,293	8,797	8,293
Amounts due from subsidiary undertakings	-	-	212	271
Trade and other debtors	307	24	199	15
Amounts due from HM Revenue and Customs	-	7	-	7
Prepayments	424	192	417	192
Accrued income	1,494	525	1,485	521
	<b>11,022</b>	<b>9,041</b>	<b>11,110</b>	<b>9,299</b>

**15. Creditors: payable within one year**

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	885	540	868	523
Accruals and deferred income	12,732	12,349	12,614	12,133
Amounts due to subsidiary undertakings	-	-	47	60
Amounts due to HM Revenue and Customs	407	384	392	374
Refundable deposits	3,121	3,235	3,121	3,235
Fees paid in advance	2,461	1,704	2,461	1,704
Pension Schemes	275	268	275	268
Other creditors	19	16	19	16
	<b>19,900</b>	<b>18,496</b>	<b>19,797</b>	<b>18,313</b>

### Deferred income

Income is deferred to ensure it is recognised in line with when College and its subsidiaries fulfil the obligation relating to the income.

Details of income deferred in relation to the Fees in Advance scheme can be found in note 17.

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
As at 1 August	9,784	8,652	9,685	8,639
Income released from previous years	(9,784)	(8,649)	(9,685)	(8,639)
Income deferred during year	10,281	9,781	10,234	9,685
As at 31 July	10,281	9,784	10,234	9,685

### 16. Creditors: payable in more than one year

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Refundable deposits	4,548	4,385	4,548	4,385
Fees paid in advance	1,905	887	1,905	887
	6,453	5,272	6,453	5,272

### 17. Advance fees schemes and fees paid in advance

Parents may pay to College up to the equivalent of seven years' tuition fees in advance. Such payments may be returned, subject to specific conditions, on the receipt of one term's notice. Fees paid in advance will be applied to off-set fees as follows:

	Group and Charity	
	2022	2021
	£'000	£'000
Within one year	2,461	1,704
More than one year	1,905	887
	4,366	2,591

  

	Group and Charity	
	2022	2021
	£'000	£'000
As at 1 August 2021	2,591	2,802
New contracts	4,414	2,083
Amounts relating to contracts utilised in payment of fees	(116)	(2,324)
Amounts relating to contracts refunded in year	(2,580)	(14)
Net movement in sundry fee creditors	57	44
As at 31 July 2022	4,366	2,591

### 18. Bank loan

In July 2016, College arranged an unsecured Revolving Credit Facility of £16m with HSBC for 10 years. College did not draw down on the facility during the year, and at the year end there was no outstanding indebtedness relating to the facility (2021: £Nil).

## 19. Financial instruments

	2022	2021
	£'000	£'000
Financial assets measured at amortised cost (a)	13,668	15,841
Financial assets measure at fair value (b)	22,729	12,405
Financial liabilities measured at amortised cost (c)	(11,299)	(11,009)
Financial liabilities measured at fair value (d)	(29)	(46)
	25,069	17,191

- a. Financial assets include cash, trade and fee debtors, staff loans, other debtors, accrued income and bad debt provision.
- b. Financial assets held at fair value include assets held as investments.
- c. Financial liabilities measured at amortised cost include deposits, trade creditors, other creditors and other provisions.
- d. Financial liabilities measured at fair value comprise the pension provision.

Impairment losses charged to financial assets in the year amounted to £Nil (2021: £Nil).

## 20. Funds

	Balance 1 August 2021 £'000	Income £'000	Total Return Transfers £'000	Expenditure £'000	Other gains/ (losses) £'000	Other Transfers £'000	Balance 31 July 2022 £'000
<b>ENDOWMENT FUNDS</b>	<b>7,774</b>	<b>1,698</b>	<b>(191)</b>	<b>(10)</b>	<b>(299)</b>	<b>80</b>	<b>9,052</b>
<b>RESTRICTED FUNDS</b>							
<b>Income from Endowment Funds:</b>							
The Bursaries Fund	-	-	146	(146)	-	-	-
The Leaving Exhibitions Fund	17	-	8	(11)	-	-	14
Vera Morpott Hounsfield Fund	13	-	7	2	-	-	22
Beale Memorial Fund	13	-	4	-	-	-	17
Vicky Tuck Scholarship Fund	49	-	13	(17)	-	-	45
Others	8	-	13	(10)	-	-	11
	100	-	191	(182)	-	-	109
<b>Other restricted funds:</b>							
Bursaries	1,484	184	-	(142)	(34)	-	1,492
Holt Bursaries	50	-	-	-	-	-	50
Learning support	74	-	-	(36)	1	-	39
STEM Capital and Science	104	2	-	-	2	-	108
Art and Technology Capital	126	49	-	(40)	1	-	136
Community Impact Activities	71	-	-	-	1	-	72
Others	101	21	-	(31)	(1)	(2)	88
	2,010	256	-	(249)	(30)	(2)	1,985
<b>Total Restricted Funds</b>	<b>2,110</b>	<b>256</b>	<b>191</b>	<b>(431)</b>	<b>(30)</b>	<b>(2)</b>	<b>2,094</b>
<b>UNRESTRICTED FUNDS</b>							
<b>Designated Funds</b>							
Bursaries	187	290	-	(77)	-	-	400
Weekend programme	200	-	-	-	-	-	200
Other	26	-	-	(7)	-	2	21
Unrestricted Funds	53,690	33,193	-	(30,982)	-	(80)	55,821
Pension deficit	(46)	8	-	(1)	10	-	(29)
<b>Total Unrestricted Charity Funds</b>	<b>54,057</b>	<b>33,491</b>	<b>-</b>	<b>(31,067)</b>	<b>10</b>	<b>(78)</b>	<b>56,413</b>
<b>Total Charity Funds</b>	<b>63,941</b>	<b>35,445</b>	<b>-</b>	<b>(31,508)</b>	<b>(319)</b>	<b>-</b>	<b>67,559</b>
<b>Unrestricted Funds – subsidiaries</b>	<b>(849)</b>	<b>1,706</b>	<b>-</b>	<b>(1,405)</b>	<b>-</b>	<b>-</b>	<b>(548)</b>
<b>Total Funds - Group</b>	<b>63,092</b>	<b>37,151</b>	<b>-</b>	<b>(32,913)</b>	<b>(319)</b>	<b>-</b>	<b>67,011</b>

£Nil (2021: £1k) was transferred out of restricted funds which represents fulfilment of restricted capital projects.

### a. Endowment Funds

The Endowment Funds consist of bursary and scholarship funds and funds for prizes and leaving exhibitions whose income is applied towards the award of bursaries, scholarships, leaving exhibitions, staff and prizes.

The fund also contains College endowed funds of £80k restricted under a Declaration of Trust dated 3 December 2021 whose income is applied towards the award of bursaries.

*b. Restricted Funds*

The major restricted funds are described below (those not individually described being self-explanatory from their title):

**Bursaries Fund**

Provides financial assistance to parents who:

- are selected for means-tested bursaries from College; or
- have experienced a major and unforeseen change in their financial circumstances.

**Holt Bursaries**

Restricted use for bursaries.

**Learning Support**

Restricted to the provision of Learning Support at College.

**STEM Capital and Science**

This fund holds donations College received towards the capital provision of new STEM facilities and Science provision at College.

**Art and Technology Capital**

This fund holds donations College received towards the capital work of the Art and Technology building enhance current facilities.

**Community Impact Activities**

This fund holds donations that are towards enabling CLC to work with underserved sections of the local Gloucestershire and wider communities through partnership, education and extension of opportunities.

*c. Unrestricted Funds*

The Unrestricted Funds include the following funds:

**Designated Bursaries Fund**

This is unrestricted donations and legacies that College has designated towards its bursary scheme that provides financial assistance to parents who:

- are selected for means-tested bursaries from College, or
- have experienced a major and unforeseen change in their financial circumstances.

**Weekend Programme**

Funds designated to the weekend enrichment programme encompassing both opportunities for College pupils but also a wider range of events that represent a fuller use of the College assets during term-time, and a wider range of opportunities for outreach and public benefit.

**The Pension Deficit Fund**

Represents the estimated unfunded pension scheme liability. See note 23.

## 21. Analysis of the net assets between funds

The net assets are held for the various funds as follows at 31 July 2022:

	Tangible Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Cash	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds	-	7,655	1,397	-	-	9,052
Restricted Funds	-	1,633	6	455	-	2,094
Unrestricted Funds	56,908	13,607	(10,036)	2,416	(6,482)	56,413
Total Charity	56,908	22,895	(8,633)	2,871	(6,482)	67,559
Unrestricted Subsidiary Funds	9	-	(184)	199	-	24
Intercompany Adjustments	(406)	(166)	-	-	-	(572)
Total Group	56,511	22,729	(8,817)	3,070	(6,482)	67,011

The net assets were held for the various funds as follows at 31 July 2021:

	Tangible Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Cash	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds	-	7,774	-	-	-	7,774
Restricted Funds	-	1,716	394	-	-	2,110
Unrestricted Funds	58,808	3,081	(9,392)	6,878	(5,318)	54,057
Total Charity	58,808	12,571	(8,998)	6,878	(5,318)	63,941
Unrestricted Subsidiary Funds	8	-	(399)	114	-	(277)
Intercompany Adjustments	(406)	(166)	-	-	-	(572)
Total Group	58,410	12,405	(9,397)	6,992	(5,318)	63,092

## 22. Statement of total return

College has agreed with the Charity Commission that it can operate a policy of total return on its Endowment Funds. This Total Return policy allows College's Investment Managers greater flexibility in managing the funds, within the agreed risk parameters. Unapplied total returns are the total returns on the investments (be they capital or income in nature) less monies paid out of the Endowment Funds. The movement in unapplied total returns is set out below:

	Preserved Value	Unapplied Total Return	Total
	£'000	£'000	£'000
<b>Brought forward at 1 August 2021</b>			
Trust for investment/permanent endowment	4,028	-	4,028
Unapplied Total Return	-	3,746	3,746
<b>Total</b>	<b>4,028</b>	<b>3,746</b>	<b>7,774</b>
<b>Movements in the reporting period:</b>			
Investment return: dividends and interest	-	298	298
Investment return: losses	-	(299)	(299)
Donation	1,400	-	1,400
Declaration of Trust	80	-	80
Investment management costs	-	(10)	(10)
Unapplied return allocated to income	-	(191)	(191)
<b>At 31 July 2022</b>			
Trust for investment/permanent endowment	5,508	-	5,508
Unapplied Total Return	-	3,544	3,544
<b>Total</b>	<b>5,508</b>	<b>3,544</b>	<b>9,052</b>

### Statement of total return (continued)

Allocation out of the Unapplied Total Return balance can be made at any time at the Council's discretion on the authority of a Charity Commission order dated 5 June 2007.

College signed a Declaration of Trust to permanently endow £80k to the Bursaries Fund on 3 December 2021.

## 23. Pension schemes

Retirement benefits to employees of College are provided through one defined benefit scheme and one defined contribution scheme, which are funded by College's and employees' contributions. In addition College has one defined benefit scheme which is funded by College only.

### Defined benefit schemes

#### *a. Teachers' Pension Scheme*

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,638k (2021: £1,710k) and at the year-end £191k (2021: £199k) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

### Pension schemes (continued)

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

#### *b. College's defined benefit scheme*

College has made certain unfunded pension guarantees to former employees. The estimated value of the scheme liability is £29k (2021: £46k), College did not obtain an actuarial valuation for the year ended 31 July 2021. Pension payments made in respect of the pension guarantees were £7k for the year ended 31 July 2022 (2021: £10k). College expects to contribute £7k in the next financial year.

### Defined contribution scheme

College offers defined contribution schemes to all members of staff. The assets of these schemes are held separately from those of College in funds administered by an insurance company. In October 2020 College offered a new salary sacrifice scheme to all employees which increases what is represented as the pension cost charge. The pension cost charge represents contributions payable in respect of these schemes amounting to £849k (2021: £631k). There were contributions outstanding at the year end of £83k (2021: £68k).

### 24. Reconciliation of cashflows from operating activities

	2022 £'000	2021 £'000
<u>Continuing Activities</u>		
Net outgoings for the year before investment gains and losses	4,238	(109)
Adjustments for:		
Depreciation	4,399	4,358
Impairment of tangible fixed assets	1	20
Loss / (Gain) on disposal of fixed assets	47	(6)
Investment income	(353)	(273)
Investment management fees	21	-
FRS102 pension interest	1	-
Increase in debtors	(1,981)	(246)
(Increase) / Decrease in stocks	(3)	15
Increase in creditors	2,819	2,002
Net cash inflow from operating activities	9,189	5,761

### 25. Analysis of changes in net funds during the year

Group	As at 1 August 2021 £'000	Cashflow £'000	As at 31 July 2022 £'000
Cash at bank and in hand	6,992	(3,922)	3,070
<b>Total</b>	6,992	(3,922)	3,070

### 26. Operating leases

The Group has the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022 Other £'000	2021 Other £'000
Not later than one year	87	34
Later than one year and not later than five years	135	69
	222	103

£37k (2021: £Nil) was charged to the Consolidated Statement of Financial Activities during the year in respect of operating lease payments.

## 27. Capital commitments

Group and Charity	2022	2021
	£'000	£'000
Amounts contracted but not yet provided	360	797

## 28. Related party transactions

### a. Staff members and Council

Some members of Council have children at College and some are members of the Sports Centre. In both instances Council members pay normal fees.

Staff members may receive fee remission and discounted membership to the Sports Centre at an agreed rate.

### b. The Incorporated Guild of Cheltenham Ladies' College

The Incorporated Guild of Cheltenham Ladies' College (Guild) is connected to College because a Director of Guild is also a member of College Council, and a co-opted member of the Guild Board during the year is married to a member of College Council. Guild is an association of former pupils of Cheltenham Ladies' College. During the year College awarded £38k (2021: £38k) to Guild so that it can continue its operations. College incurred expenditure of £1.5k (2021: £0.5k) which was recharged to Guild. During the year Guild donated £0.5k (2021: £0.5k) to College as an unrestricted donation. There was £0.5k due to College from Guild at College's year end (2021: £0.5k).

### c. Friends of Cheltenham Ladies' College in Hong Kong Limited

Friends of Cheltenham Ladies' College in Hong Kong Limited (Friends of CLC in Hong Kong), registered in Hong Kong, is connected to College because two of the Directors, one of whom is also a Member of Friends of CLC in Hong Kong, are also members of College Council. During the year College received £63k (2021: £557k) in unrestricted and restricted donations from Friends of CLC in Hong Kong and College donated £6k to Friends of CLC in Hong Kong Limited (2021: £2k).

## 29. Subsidiaries

### a. CLC Services Limited

CLC Services Limited, company number 02721621, incorporated in England and Wales, registered office Bayshill Road, Cheltenham, Gloucestershire GL50 3EP, is a wholly owned subsidiary of College. CLC Services Limited had turnover of £1,706k (2021: £718k), gross profit of £348k (2021: £252k loss) and a profit after tax of £302k (2021: £317k loss) for the year ended 31 July 2022.

College licences the use of the Sports Centre, trademark and other facilities to CLC Services and the charges during the year amounted to £388k (2021: £166k). College also recharges CLC Services Limited for recharges of staff and other costs incurred on behalf of the company, and during the year these amounted to £832k (2021: £571k). During the year Services sold stock and fixed assets to College for £45k (2021: £Nil), it also recharged other costs incurred on behalf of College totalling £10k (2021: £2k).

At the year end CLC Services Limited owed College £122k (2021: £271k) and College owed CLC Services Limited £2k (2021: £60k). At the year end the company had shareholder funds of £24k (2021: deficit £277k).

### b. CLC Developments (Cheltenham) Limited

CLC Developments (Cheltenham) Limited, company number 12304218, incorporated in England and Wales, registered office Bayshill Road, Cheltenham, Gloucestershire GL50 3EP, is a wholly owned subsidiary of College. CLC Developments (Cheltenham) Limited is dormant and has not traded since incorporation.

### 30. College only total funds

College's own results for the year included in the Consolidated Statement of Financial Activities were:

	2022 £'000	2021 £'000
<b>Income and Endowments from:</b>		
<b>Charitable activities</b>		
Fee income	31,498	27,310
Ancillary trading income	1,758	1,087
Other income	102	1,198
<b>Voluntary sources</b>		
Donations and legacies	1,733	981
<b>Other trading activities</b>		
Non-ancillary trading income	419	194
<b>Investments</b>		
Investment income and interest	353	273
<b>Total income and endowments</b>	<b>35,863</b>	<b>31,043</b>
<b>Expenditure on:</b>		
<b>Raising funds</b>		
Fundraising	355	339
Non-ancillary trading	-	130
Financing costs	107	103
Investment management costs	21	10
	<b>483</b>	<b>582</b>
<b>Charitable activities</b>	<b>31,443</b>	<b>30,253</b>
<b>Total expenditure</b>	<b>31,926</b>	<b>30,835</b>
<b>Net incoming funds from operations before investment gains or losses</b>	<b>3,937</b>	<b>208</b>
Net (losses)/ gains on investments	(329)	945
<b>Net income</b>	<b>3,608</b>	<b>1,153</b>
Actuarial gains on defined benefit pension schemes	10	38
<b>Net movement in funds</b>	<b>3,618</b>	<b>1,191</b>
<b>Reconciliation of funds:</b>		
Total funds brought forward	63,941	62,750
<b>Total funds carried forward</b>	<b>67,559</b>	<b>63,941</b>

**31. Consolidated Statement of Financial Activities – Comparative figures by fund type for the year ended 31 July 2021**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total 2021 £'000
<b>Income and Endowments from:</b>				
<b>Charitable activities</b>				
Fee income	27,310	-	-	27,310
Ancillary trading income	1,087	-	-	1,087
Other income	1,198	-	-	1,198
<b>Voluntary sources</b>				
Donations and legacies	108	873	-	981
<b>Other trading activities</b>				
Non-ancillary trading income	610	-	-	610
<b>Investments</b>				
Investment income and interest	2	16	255	273
<b>Total income and endowments</b>	<b>30,315</b>	<b>889</b>	<b>255</b>	<b>31,459</b>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Fundraising	339	-	-	339
Non-ancillary trading	877	-	-	877
Financing costs	103	-	-	103
Investment management costs	1	1	8	10
	<b>1,320</b>	<b>1</b>	<b>8</b>	<b>1,329</b>
<b>Charitable activities</b>	<b>29,446</b>	<b>793</b>	<b>-</b>	<b>30,239</b>
<b>Total expenditure</b>	<b>30,766</b>	<b>794</b>	<b>8</b>	<b>31,568</b>
<b>Net (outgoing)/ incoming funds from operations before investment losses</b>	<b>(451)</b>	<b>95</b>	<b>247</b>	<b>(109)</b>
Net gain on investments	-	60	885	945
<b>Net income/ (outgoing)</b>	<b>(451)</b>	<b>155</b>	<b>1,132</b>	<b>836</b>
Transfers between funds	1	(551)	550	-
Total return transfers between funds	-	172	(172)	-
Actuarial losses on defined benefit pension schemes	38	-	-	38
<b>Net movement in funds</b>	<b>(412)</b>	<b>(224)</b>	<b>1,510</b>	<b>874</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	53,620	2,334	6,264	62,218
<b>Total funds carried forward</b>	<b>53,208</b>	<b>2,110</b>	<b>7,774</b>	<b>63,092</b>

### 32. Funds for year ended 31 July 2021

	Balance 1 August 2020 £'000	Income £'000	Total Return Transfers £'000	Expenditure £'000	Other gains £'000	Other Transfers £'000	Balance 31 July 2021 £'000
<b>ENDOWMENT FUNDS</b>	<b>6,264</b>	<b>255</b>	<b>(172)</b>	<b>(8)</b>	<b>885</b>	<b>550</b>	<b>7,774</b>
<b>RESTRICTED FUNDS</b>							
<b>Income from Endowment Funds:</b>							
The Bursaries Fund	-	-	130	(130)	-	-	-
The Leaving Exhibitions Fund	18	-	7	(8)	-	-	17
Vera Morpott Hounsfield Fund	8	-	7	(2)	-	-	13
Beale Memorial Fund	15	-	3	(5)	-	-	13
Overseas Foundation	5	-	3	(8)	-	-	-
Holt Foundation	-	-	6	(6)	-	-	-
Vicky Tuck Scholarship Fund	40	-	12	(3)	-	-	49
Others	5	-	4	(1)	-	-	8
	<b>91</b>	<b>-</b>	<b>172</b>	<b>(163)</b>	<b>-</b>	<b>-</b>	<b>100</b>
<b>Other restricted funds:</b>							
Bursaries	1,833	342	-	(201)	60	(550)	1,484
Morgan Legacy	14	-	-	(14)	-	-	-
Learning support	123	-	-	(49)	-	-	74
STEM Capital	102	2	-	-	-	-	104
Art and Technology Capital	44	97	-	(15)	-	-	126
Covid-19 Fund	25	262	-	(287)	-	-	-
Covid-19 Bursaries	-	54	-	(54)	-	-	-
Community Impact Activities	-	71	-	-	-	-	71
Others	102	61	-	(11)	-	(1)	151
	<b>2,243</b>	<b>889</b>	<b>-</b>	<b>(631)</b>	<b>60</b>	<b>(551)</b>	<b>2,010</b>
<b>Total Restricted Funds</b>	<b>2,334</b>	<b>889</b>	<b>172</b>	<b>(794)</b>	<b>60</b>	<b>(551)</b>	<b>2,110</b>
<b>UNRESTRICTED FUNDS</b>							
<b>Designated Funds</b>							
Bursaries	78	109	-	-	-	-	187
Weekend programme	-	-	-	-	-	200	200
Other	226	-	-	-	-	(200)	26
Unrestricted Funds	53,942	29,478	-	(29,731)	-	1	53,690
Pension deficit	(94)	10	-	-	38	-	(46)
<b>Total Unrestricted Charity Funds</b>	<b>54,152</b>	<b>29,597</b>	<b>-</b>	<b>(29,731)</b>	<b>38</b>	<b>1</b>	<b>54,057</b>
<b>Total Charity Funds</b>	<b>62,750</b>	<b>30,741</b>	<b>-</b>	<b>(30,533)</b>	<b>983</b>	<b>-</b>	<b>63,941</b>
<b>Unrestricted Funds – subsidiaries</b>	<b>(532)</b>	<b>718</b>	<b>-</b>	<b>(1,035)</b>	<b>-</b>	<b>-</b>	<b>(849)</b>
<b>Total Funds - Group</b>	<b>62,218</b>	<b>31,459</b>	<b>-</b>	<b>(31,568)</b>	<b>983</b>	<b>-</b>	<b>63,092</b>