

St Chad's College (Trading) Limited
Directors' report and financial
statements

For the year ended 30 September 2020

St Chad's College (Trading) Limited
Directors' report and financial statements
For the year ended 30 September 2020

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Registered Office

18 North Bailey
Durham
DH1 3RH

Directors' report

The directors present their Directors' report and financial statements for the year ended 30 September 2020.

Principal activities

The Company's principal activity is the running of conferences and the provision of accommodation.

Business review

The Company made a profit/ (loss) before tax for the year of (£7,383) loss (2019: £47,980 profit) (excluding the gift aid payment to St Chad's College). Conference sales income was £3,974 (2019: £156,978) as the majority of trade was postponed or cancelled due to the Covid-19 pandemic.

The Company was unable to host the booked conferences and weddings plus additional bed & breakfast guests over the Easter and Summer vacation periods due to the trading restrictions around Covid-19. Budgeted sale revenues pre-Covid were £133,702, with an expected trading profit of around £40,866 before gift aid to St Chad's College.

The majority of the 2020 cancelled trade has been re-booked in Easter and Summer of 2021. It is expected that the trading company will revert to a profit making business in the next financial year and beyond, but this is dependent upon permitted trade into 2021 around Covid-19.

Distributions

The Company has been loss making this year, with a loss of £7,383, and is not in a position to make a gift aid payment to St Chad's College, the Company's parent undertaking. The prior year financial statements included an amount of £47,980 which will be paid under gift aid to St Chad's College, the Company's parent undertaking.

Directors and directors' interests

The directors who held office during the year were as follows:

MJ Masson
AP Wilson

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

AJ Jenkins held office as Company Secretary.

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Political and charitable contributions

The Company made no political contributions during the year. Donations to UK charities amounted to £nil (2019: £47,980).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

RSM UK Audit LLP have indicated their willingness to continue in office as auditors and pursuant to Section 187 of the Companies Act 2006, the auditor will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office.

By order of the board



AP Wilson
Director

18/3/21

18 North Bailey
Durham
DH1 3RH

Date

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CHAD'S COLLEGE (TRADING) LIMITED

Opinion

We have audited the financial statements of St Chad's College (Trading) Limited (the 'company') for the year ended 30 September 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 company's affairs as at 30 September 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To

the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

L. Robson

LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

22/03/21

St Chad's College (Trading) Limited
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Profit and loss account
for the year ended 30 September 2020

	Note	2020 £	2019 £
Turnover	2	3,974	156,978
Cost of sales		(4,824)	(101,488)
		<hr/>	<hr/>
Gross profit/(loss)		(850)	55,490
Administrative expenses		(6,533)	(7,510)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	(7,383)	47,980
Tax on profit on ordinary activities	4	-	(9,116)
		<hr/>	<hr/>
Profit for the financial year		(7,383)	38,864
		<hr/> <hr/>	<hr/> <hr/>

Other comprehensive income
for the year ended 30 September 2020

	2020 £	2019 £
Profit/(loss) for the year	(7,383)	38,864
Other comprehensive income for the year, net of income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(7,383)	38,864
	<hr/> <hr/>	<hr/> <hr/>

The Company had no recognised gains or losses other than those stated above.

All of the above results are derived from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

St Chad's College (Trading) Limited
Directors' report and financial statements
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Balance sheet
at 30 September 2020

	<i>Note</i>	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	6	18,025	18,025	20,125	20,125
Current assets					
Debtors	7	1,701		11,976	
Cash at bank and in hand		27,579		162,688	
		<u>29,280</u>		<u>174,664</u>	
Creditors: amounts falling due within one year	8	<u>(54,687)</u>		<u>(194,788)</u>	
Net current assets/(liabilities)			(25,407)		(20,124)
Net Assets			(7,382)		1
Capital and reserves					
Called up share capital	9		1		1
Retained Earnings			(7,383)		
			<u></u>		<u></u>
Shareholders' funds			(7,382)		1
			<u></u>		<u></u>

These financial statements were approved by the board of directors on behalf by:

18/3/21

and were signed on its



AP Wilson
Director

Registered number: 05844646

The notes on pages 10 to 15 form part of these financial statements.

St Chad's College (Trading) Limited
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Statement of changes in equity
for the year ended 30 September 2020

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 October 2018	1	-	1
Total comprehensive income for the period			
Profit or loss	-	38,864	38,864
Other comprehensive income		-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	38,864	38,864
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
Gift aid	-	(47,980)	(47,980)
Tax credit with respect to gift aid	-	9,116	9,116
	<hr/>	<hr/>	<hr/>
Total distributions to owners	-	(38,864)	(38,864)
	<hr/>	<hr/>	<hr/>
		-	1
Balance at 30 September 2019	1	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>
Balance at 1 October 2019	1	-	1
Total comprehensive income for the period			
Profit or (loss)	-	(7,383)	(7,383)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(7,383)	(7,383)
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
Gift aid	-	-	-
Tax credit with respect to gift aid	-	-	-
	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2020	1	(7,383)	(7,382)
	<hr/>	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

St Chad's College (Trading) Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") and the requirements of Companies Act 2006. The presentation currency of these financial statements is sterling.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The Company's business activities, including a business overview and the impacts of Covid-19 are included in the Directors Report. At the reporting date the Company had net current liabilities of £25,407 (2019: £20,124) and total net liabilities of £7,382 (2019: £1). Detailed budgets have been prepared up to September 2023, which assumes that there will be minimal trading activity in the Company in the 2021 year. The Company's parent undertaking has agreed to provide sufficient resources to the Company and not seek repayment of the amounts owed of £33,649 at 30 September 2020 unless the Company has sufficient resources and cash position allows it, to enable it to continue as a going concern for the foreseeable future and for at least one year from the date of approval of these financial statements. No material uncertainties have been identified in Directors considerations. Therefore the financial statements have been prepared on a going concern basis which assumes that the Company has adequate resources to continue in operational existence for the foreseeable future.

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Basic financial instruments

Trade and other debtors / creditors

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

Accounting policies (continued)

Cash and cash equivalents

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

1.5 *Impairment of financial assets (including trade and other debtors)*

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

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

1.6 *Turnover*

Turnover represents net invoiced sales of goods and provision of services after discounts/rebates, excluding value added tax. Revenue is recognised on despatch of goods or the provision of services. Payments received in advance of this point are shown as deferred income within creditors.

1.7 *Taxation*

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

1.8 *Cashflow*

The Company has taken advantage of the cashflow disclosure exemption under FRS 102 as it is a member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view (of the assets, liabilities, financial position and profit or loss) and that member is included in the consolidation. The consolidated financial statements of the group are publicly available on the St Chad's College website.

1.9 *Fixed assets*

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

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

Other fixed assets	-	10 years
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The Trustees consider the need for impairment of fixed assets on an annual basis.

St Chad's College (Trading) Limited
Directors' report and financial statements
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Notes (continued)

2 Turnover

	2020 £	2019 £
Sale of goods	575	9,117
Provision of services	3,389	139,356
Other income	9	8,505
	<u>3,974</u>	<u>156,978</u>

3 Notes to the profit and loss account

The profit/ (loss) on ordinary activities before taxation is stated after charging:

	2020 £	2019 £
<i>Auditor's remuneration:</i>		
Audit of these financial statements	<u>2,500</u>	<u>2,500</u>

4 Taxation

	2020 £	2019 £
Trading Profit/(loss)	(7,383)	47,980
Deductions & Reliefs		
Bad debt provision	708	-
Depreciation	2,100	-
Qualifying Charitable Donations	-	(47,980)
Capital allowance	(3,780)	-
Tax Profit/(loss) chargeable to corporation tax	(8,355)	-
Current year tax loss carried forward	8,355	-
Taxable Income	-	-

In 2019, a notional tax charge at 19% has been recorded in the profit and loss account with a corresponding tax credit in the statement of changes in equity. This reflects the treatment of the gift aid payment from this Company to St Chad's College as a dividend.

5 Remuneration of key management personnel

The directors of the Company and the Company secretary are its key management personnel. None of them received any remuneration from the Company during the current or prior year. One director is a trustee of the parent Company, St Chad's College. Their salary is included in the staff costs in the financial statements of the parent Company. There are no staff directly employed by the company. Staff members engaged in the activities of the Company are employed by the parent company and the cost recharged to the company.

6 Fixed Assets

	2020 £	£	2019 £	£
	Other fixed assets	Total	Other fixed asset	Total
Cost or valuation				
At the beginning of the year	21,000	21,000	-	-
Additions	-	-	21,000	21,000
Revaluation	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the year	21,000	21,000	21,000	21,000
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At the beginning of the year	875	875	-	-
Charge for the year	2,100	2,100	875	875
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the year	2,975	2,975	875	875
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 September 2020	18,025	18,025	20,125	20,125
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2019	20,125	20,125	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

7 Debtors

	2020 £	2019 £
Trade debtors	-	11,976
Prepayments	1,701	-
	<hr/>	<hr/>
	1,701	11,976
	<hr/>	<hr/>

St Chad's College (Trading) Limited
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Notes (continued)

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	543
Amounts owed to parent undertaking	33,649	153,858
Social security and other taxes	183	23,429
Accruals and deferred income	20,854	16,958
	<u>54,687</u>	<u>194,788</u>

9 Called up share capital

	2020 £	2019 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

There were no transactions in the company's shares in the period.

10 Ultimate parent company/ultimate controlling party

The Company is a subsidiary undertaking of St Chad's College which is the ultimate parent company incorporated in the UK. St Chad's College Durham is the smallest and largest group for which consolidated accounts are drawn up. The registered office of St Chad's College Durham is: 18 North Bailey, Durham DH1 3RH.

11 Financial instruments

Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2020 £	2019 £
Assets measured at amortised cost	-	11,976
Liabilities measured at amortised cost	<u>(36,333)</u>	<u>(194,198)</u>

Notes *(continued)*

12 Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Management considers that there are no judgements that have any material effect on the Company's financial statements.

