

**CHRIST THE KING SIXTH FORM COLLEGE**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2020**

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the College, its Governors and Advisers</b>	1
<b>Governors' Report</b>	2 - 16
<b>Governance Statement</b>	17 - 25
<b>Statement on Regularity, Propriety and Compliance</b>	26
<b>Statement of Governors' Responsibilities</b>	27
<b>Independent Auditor's Report</b>	28 - 30
<b>Accountant's Assurance Report on Regularity</b>	31 - 32
<b>Statement of Comprehensive Income</b>	33
<b>Statement of Changes in Reserves</b>	34
<b>Balance Sheet</b>	35
<b>Statement of Cash Flows</b>	36
<b>Notes to the Financial Statements</b>	37 - 60

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**CHRIST THE KING SIXTH FORM COLLEGE**  
**(A company limited by guarantee)**

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

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**Key Management Personnel, Board of Governors and Professional advisers**

**Key Management Personnel**

Key Management Personnel are defined as Senior Post Holders and were represented by the following in 2019/20:

- Mr Robert McAuliffe, until August 2020 (Co-Collegiate Principal and Co-Accounting Officer until December 2019)
- Mrs Shireen Razey, Co-Collegiate Principal and Co-Accounting Officer until December 2019, Executive Principal and Accounting Officer from January 2020
- Mr Ciaran Burns, Collegiate Director of Finance and Estates until December 2019
- Daniel Powell, Vice Principal of Finance from August 2019 until September 2020
- Simon Spearman Deputy Principal (Emmanuel) from September 2019
- Camilla Crampton Deputy Principal (St Mary's) from January 2020
- Holly Power Deputy Principal (Aquinas) from April 2020

**Board of Governors**

A full list of Governors is given on page 18 of these financial statements.

Mrs Deborah Baldwin acted as Clerk to the Governing Body from June 2016.

**Professional advisers**

**Financial statements auditors and reporting accountants**

MHA MacIntyre Hudson  
6th Floor  
2 London Wall Place  
London  
EC2Y 5AU

**Internal auditors (for 2019-20)**

MHA MacIntyre Hudson  
6th Floor  
2 London Wall Place  
London  
EC2Y 5AU

**Bankers**

Lloyds Bank  
Mid Markets  
4th Floor  
25 Gresham Street  
London EC2V 7HN

**Solicitors**

Doyle Clayton  
One Crown Court  
Cheapside  
London  
EC2V 6LR

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2020**

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The Governors present their annual report with the financial statements and auditor's report for Christ the King College for the year ended 31 July 2020.

**Strategic Report**

**LEGAL STATUS**

Christ the King Sixth Form College is a Roman Catholic College, occupying its original site on the border of Blackheath and Lewisham, with a second site acquired in August 2009 in the borough of Bexley and a third site in Brockley acquired from Lewisham Education Authority in February 2013. The College was established in 1992 under The Further and Higher Education Act 1992 as a result of a reorganisation of Roman Catholic secondary schools. The College is an exempt charity under Part 3 of the Charities Act 2011 and from 1 September 2013, is regulated by the Secretary of State for Education.

The members of the Governing Body who are Trustees of the charity, are disclosed on page 18.

**Mission, Vision, Strategy and Objectives**

**Mission**

We have a shared, well-established and deeply embedded sense of vision and values which is articulated through our mission statement.

**Mission Statement**

We are a Catholic College dedicated to the education and development of the whole person, so that all students can realise their full potential.

To achieve this as a community we will:

- Provide the highest standards of teaching and learning.
- Expect students to show commitment to their studies and the Christian values of the College.
- Provide equality of opportunity, with mutual respect and positive encouragement.
- Build and further develop a partnership with parents, schools, parishes, higher education, employers and the local community.
- Value staff and support their professional development. In doing this we will reflect Christ's teaching in the life and work of the whole College.

Our distinctive ethos is characterised by our Christian values and principles, high levels of achievement, high quality specialist staff and specialist provision catering for the individual learning needs of College students. We are proud to be a high-achieving family of three Catholic sixth forms and our mission is to make certain that every student fulfils their potential and excels.

**GOVERNORS' REPORT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Vision**

Whilst each Christ the King sixth form has a specialist focus, we work as one organisation to bring together our staff, students, College and partners to provide a consistent outstanding College education across all three sixth forms. As part of our Catholic mission we do this in ways which benefit society and the common good on a local, regional and national scale. We will build on the College tradition of excellence while fostering a culture in which innovation and collaboration play an important role. We will continue to be deeply committed to equality of opportunity, to engendering inclusivity, and to supporting staff and student wellbeing, ensuring that all students and staff can flourish in our community.

Our vision is that by 2023 Christ the King will be an outstanding provider of specialist college education. It will be well regarded, high achieving and successful. Its innovative culture will make it a prestigious place to study and work. It will continue to be financially secure, robust and highly efficient.

Our skilled teachers will excel in college education and be experts in their field. This means that they will know exactly what every student needs to do to achieve the highest levels of qualification success and to be very successful in progressing to the best universities and most prestigious employers.

Finally, we will work together to tackle the challenges brought by Covid-19, supporting our students and staff so that they flourish and thrive.

**Strategic Objectives and Goals**

**Strategic Goal 1**

**An outstanding provider of College education where....**

**Objective 1**

The best teachers, who are experts in their subject, specialise in working exclusively with College students.

**Objective 2**

The subjects and programmes on offer are highly valued by universities and employers and promote local, regional and national priorities.

**Objective 3**

The environment and ethos reflects Catholic values and supports students so that they thrive and flourish.

**This means that by 2023:**

- Each Christ the King sixth form delivers a full specialist curriculum and outcomes at each site have improved year on year.
- The CPD strategy has demonstrated discernible benefits and there are appropriate measures in place to attract and retain outstanding teachers, leaders and support staff.
- The CTK model approaches to specialist teaching, learning and assessment frame requirements and are fully developed.
- Teaching and learning is consistently Good or Outstanding across the whole College.
- Student punctuality and attendance continues to improve
- The General RE programme is fully developed and embedded and is judged to be Outstanding under the new Section 48 Inspection framework.

**Strategic Goal 2**

**A high achieving, successful College where....**

**Objective 1**

Student examination outcomes are outstanding.

**Objective 2**

Students are ambitious, work hard and are challenged to develop the skills and qualities that will support their aspirations and success.

**Objective 3**

Students make exceptional progress and leave to study or work in leading universities, companies and professions.

**This means that by 2023:**

- A Level and BTEC value added outcomes have improved year on year and score positively when compared to other providers.
- Achievement rates are above the sector average for all qualifications and all levels.
- The number of students achieving the top grades have significantly increased.
- All students have strong progression destinations and the numbers of students progressing to leading universities and employers have increased.

**Strategic Goal 3**

**An innovative, prestigious and highly regarded College where....**

**Objective 1**

Holistic approaches engage parents, families and the wider community so that every student succeeds in reaching their full potential.

**Objective 2**

Strong relationships with universities, employers and other schools are brokered and prosper so that outstanding opportunities are provided for staff and students.

**Objective 3**

Specialist College education, research and curriculum pedagogy leads the way in the post 16 sector.

**This means that by 2023:**

- The CTK GRACES are integral to expectations and are embedded across the curriculum.
- There are strong systems and processes that support students, track their progress and keep parents engaged so that there is a coherent, joined up approach to student development.
- Each sixth form has well established and demonstrably productive partnerships with leading schools, colleges, universities and employers.
- A conducive environment for conducting research has been established, with state-of-the-art facilities and infrastructure, and investment in the training and support.

**Strategic Goal 4**

**To respond appropriately to the social, ethical and Catholic values within our community where...**

**Objective 1**

Purposeful social action is embedded across the College.

**Objective 2**

An environmental strategy involving staff and students promotes sustainability.

**Objective 3**

Staff and student well-being is at the heart of all we do.

**This means that by 2023:**

- The CTK acts of charity and volunteering programmes are fully embedded and have a high profile both internally and externally
- Our alumni programme has expanded in numbers and provides a key strategic resource for progression planning and partnership work
- Student engagement in teaching, learning, assessment and quality processes is active and embedded
- The environmental strategy is embedded and brings tangible benefits
- Student engagement in wellbeing and community initiatives are fully operational
- The CTK Health priorities and 5 ways to wellbeing are embedded in staff ways of working

**Strategic Goal 5**

**A financially secure, robust and highly efficient College where....**

**Objective 1**

Outstanding financial status is maintained and characterised by strong reserves, unqualified audits and student enrolment numbers which grow to target.

**Objective 2**

The central functions deliver high quality, specialist services and model the efficiencies that can be gained in a multisite institution.

**Objective 3**

Estates, premises and educational resources are outstanding and which enhance the delivery of a dynamic and highly relevant curriculum.

**This means that by 2023:**

- The College financial category remains outstanding.
- Staffing has remained at no more than 70% of recurrent income in each of the 3 years.
- Overall College student numbers have grown incrementally from the specialist site starting points in September 2020.
- Central functions have demonstrated incremental financial and resource efficiencies in each year.
- Specialist specific state of the art improvement works to the buildings, equipment and estates have been completed.

**GOVERNORS' REPORT (*continued*)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Resources**

The College employs 178 staff (expressed as full time equivalents) of which 90 are teachers. The College enrolled approximately 2200 students in 2019/20. Eighty-four percent of the students are on level 3 courses and 64% of students study a BTEC qualification.

Level	%
A Level	35.6%
BTEC L3	48.3%
BTEC L2	14.4%
BTEC L1	1.6%

The sixth form has a good reputation locally. In its last Ofsted inspection in 2017, the Sixth Form was rated Good and has been established for almost 30 years'. Key findings included:

- Governors, leaders and staff at all levels have high ambitions for learners, and raise successfully learners' expectations
- Most teachers ensure that lessons are lively, engaging and fun. Teachers' passion for their subject motivates learners to work hard and succeed
- Staff prepare learners exceptionally well for life in a cosmopolitan society. Learners develop a strong social and moral conscience, and have a good understanding of the individual dignity and value of human life.

It has been a difficult and challenging year for staff, given the lockdown measures in place since March 2020. During this time, a daily update kept staff in touch with developments, celebrated successes and shared experiences. Microsoft Teams was used extensively to keep in touch and to continue business wherever possible. Throughout the lockdown the staffing community supported each other through a number of Wellbeing initiatives, through online gatherings which fostered a spirit of care and love towards each other. The Chaplaincy Team played a key role during the difficult COVID Pandemic, along with the staff Wellbeing Committee who led and developed a range of Wellbeing activities.

**Stakeholders**

Christ the King Sixth Form College has many stakeholders including:

- Our current, future and alumni
- Staff and their trade unions
- Education sector funding bodies;
- Roman Catholic Archdiocese of Southwark;
- Partner Schools
- Local employers (with specific links);
- Local authorities;
- Local Enterprise Partnerships (LEPs);
- The local community;
- Other FE institutions;
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with all parties. It works closely with its Partner Schools (Bonus Pastor Catholic College, Trinity School, St Michaels Catholic College, St Ursula's Convent School, St Matthews, St Paul's Academy, St Thomas



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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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More RC Comprehensive School, St Catherine's, St Columbus and Conisborough) and other local schools. It has strong relationships with both Lewisham and Bexley Local Authority.

**Public benefit**

Christ the King is an incorporated Catholic Sixth Form College providing education exclusively for young people aged 16-19 across three sixth forms located in South East London.

Established in 1992, Christ the King was initially set up to be the shared sixth form for seven local partner schools. Since then we have established two further sixth forms in Brockley and Sidcup and attract students from ten partner schools and from a wide area across London. In the intervening years, through a number of inspections, Christ the King has been consistently graded as good or better.

In delivering the CTK mission, the College provides identifiable public benefits through the advancement of academic and vocational education to approximately 2200 students, including 45 students with high needs. The College is committed to providing information, advice and guidance to students it enrolls and to ensuring students are accepted onto suitable courses.

**Development and Performance**

**Financial Results**

For the 2019/20 year the College generated a deficit before other gains and losses of £434k (2019 - £158k surplus). This compares with a budgeted deficit for 2019/20 of £257.0k.

The College has a bank balance of almost £11 million which is equivalent to 276 cash days.

The College has £7.8 million of net assets (including £3.8 million pension liability) and long term deferred capital grant income of £8.2 million.

A series of performance indicators have been agreed to monitor the successful implementation of the policies.

	Actual 2019/20	Actual 2018/19
Cash Days	276.1	265.8
Current Ratio	1.2	1.3
Sustainability	0.39%	1.50%
ESFA Income as % Income	91.2%	96.9%
Pay as % of Expenditure	61.3%	63.0%

The College's financial objectives and key performance indicators for 2019/20 were achieved.

- To retain a financial health grade of 'Outstanding' for 2019/20
- Have in excess of 100 cash days at the end of 2019/20
- Have a general reserve of at least 25% of income
- Maintain salary costs at <70% of core allocation in 2019/20
- Maintain salary costs at <70% of expenditure
- Limit the net cash outflow to <£2,000,000
- Retain non-ESFA income above 2% of total income

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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Christ the King Sixth Form College is committed to observing the importance of sector measures and indicators and uses the FE Choices data available on the GOV.UK website which looks at measures such as success rates. The College is required to complete the annual Finance Record for the Education and Skills Funding Agency ("ESFA"). The College is assessed by the ESFA as having an "Outstanding" financial health grading. The current rating of Outstanding is considered an acceptable outcome.

**Treasury policy and objectives**

Treasury management is the management of the College's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The College has a separate treasury management policy in place.

Short term borrowing for temporary revenue purposes would be authorised by the Accounting Officer. All other borrowing would require the authorisation of the Governing Body and shall comply with the requirements of the Funding Agreement.

**Cash flow and liquidity**

At £1,222,000 (2018-19 £928,000), the operating cash inflow was strong. Offset against this were net cash outflows from investing activities of £1,148,000. The investing activities included £355,000 in respect of assets in the course of construction and £752,000 for the purchase of computer equipment. Largely precipitated by the Covid pandemic, the Sixth Form has invested heavily in laptops for students and staff to facilitate remote learning.

The College currently does not have any borrowings.

**Reserves**

The reserves of Christ the King Sixth Form College have been built up over a number of years as a result of prudent finance management. The reserves at 31st July 2020 total £7.8 million (2019 - £8.7 million). The College's Reserve Policy is reviewed by Governors every Spring in preparation for preparing the Annual Budget. Its guiding principles on the minimum level of reserves are:

- a) Provide for a minimum number of one hundred cash days.
- b) Provide for pension liability and other contingencies.
- c) Provide for investment projects which improve College educational outcomes and College services and infrastructure that cannot be provided for from recurrent income.

Aligned with implementing in full our strategy of providing specialist sixth forms for vocational and academic education, we expect to continue to make significant investment in the provision of specialist teaching and facilities and in digital learning and ITC. The cash flow statement shows that in the year ended 31 July 2020, we made £1.2 million of educational capital investment and, as outlined in note 20 to the accounts, we have made capital commitments for a further £1.4 million of educational capital investment.

**Sources of Income**

91.2% of the College income is from ESFA funding, other income is through the Capacity & Delivery funds and the Centre for Excellence in Maths. Approximately £300 000 is received through Local Authority tier 3 High Needs funds.

### **Review of 2019/20 and Future Developments**

Christ the King Sixth Form College has successfully delivered on our most recent strategic plan aim, which was to reconfigure our College to provide a comprehensive offer through a specialist sixth form approach at each site. Taken collectively our sixth forms offer an academic and vocational curriculum for students at Levels 1-3 and from September 2020 each Christ the King sixth form will contribute to this through a specialised approach.

Christ the King Aquinas, located in Brockley, has a highly academic focus, delivering A Level qualifications. With a strong emphasis on subject knowledge and academic rigour, courses are intensive and challenging.

Christ the King Emmanuel, located in Blackheath, has a professional studies focus, delivering applied academic and technical qualifications, each in a specific occupational context. These are demanding programmes framed by leading universities and employers and there is a strong emphasis on the occupational knowledge and academic skills required to achieve the top grades and in order to make exceptional progress.

Christ the King St Mary's, located in Bexley on the London/Kent border, has a combined academic and professional studies focus and delivers both A Levels and Applied Technical qualifications. There is a strong focus on academic rigour and occupational standards and students are able to specialise or combine their studies.

Executive Principal Shireen Razey says: "We have consulted extensively with staff, parents, alumni, universities, our employer advisory boards and Catholic partners. As a result we have built a distinct picture of why students and parents choose each of our sixth forms as a place to study, what they value about their environment and teaching, and where there are additional opportunities to supply something unique which is not currently offered within the local community."

The three sixth forms will provide an extensive choice for local students across London and Kent with a wide range of courses on offer to suit all abilities and aspirations, and a place for all hardworking, ambitious students. Christ the King Chair of Governors, Dr Rupert Evenett says; "We believe that across each of the Christ the King Sixth Forms, we are able to offer every young person with ambition, drive and aspiration the chance to study up to the highest level and gain entry to leading universities and to top vocational and professional opportunities. Our Christian values are underpinned by our CTK graces, built on character education, which are; grit, respect, awareness, curiosity, endeavour and self-control. These values are key to the success of our students and key to our College communities."

In 2019/20 the College leadership team was restructured, and three cross College Deputy Principals were appointed along with a team of Assistant Principals. An Executive Principal was appointed which replaced a Co-Collegiate model of leadership.

An ambitious refurbishment project has started at the Emmanuel and Aquinas sites which due to COVID restrictions will take place in two Phases rather than one. Phase one which included the modernisation of Engineering and Business facilities has been completed to target. These facilities provide state of the art vocational facilities for students and this investment will help the Sixth Form take forward its strategic plan at Emmanuel. A new Level 2 Learning Resource Centre has also been created which enhances the out of class learning facilities for some of the Sixth Forms most vulnerable learners.

**GOVERNORS' REPORT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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Each year the College's Strategic Plan, Risk Management Plan, Self-Assessment Report and processes, the ILT Strategy and other planning processes lead to the formulation of strategic objectives for the coming academic year. Each objective is task driven and action planned. Progress with tasks is regularly reviewed by the Senior Leadership Team (SLT). This means that as well as a strategic approach to the identification of College's priorities, there is also a very detailed approach to the planning and monitoring of their delivery. In 2019/20 the strategic objectives were successfully delivered.

From March 2020 the College was placed in national lock down during the COVID Pandemic. This saw almost all staff working remotely and teaching and learning taking place via teams. Exams did not take place and were replaced by Centre Assessment Grades (CAGs). Outcomes from CAGs showed a slight improvement on the previous years, with BTEC results being strong and A Level pass rates in line with national averages. Currently, almost 90% of Christ the King's BTEC students' progress onto university, which is significantly higher than the national average. In 2018, 50% of Christ the King students that secured a place at a Russell Group University, had studied a Level 3 BTEC Qualification

The College's priority is to provide the best education with the highest quality teaching and learning in the local area. Through the distinctive educational opportunities provided as a highly successful Catholic College provider, the College will review its curriculum offer to ensure it meets national and regional priorities so that it provides a coherent learning programme for every student.

The second phase of the building refurbishment for Aquinas & Emmanuel will start in May 2021. This will involve the modernisation of art, chaplaincy and science facilities at Aquinas and Health, Careers and the Academic Learning Support facilities at Emmanuel. In addition to the expenditure incurred in 2019/20, CTK has committed to spend a further £1.4 million in order to complete the project.

The College will be offering T-Levels in Engineering and Science from 2022 at the Emmanuel site; 45-day industry placements continue to be piloted to support the development of vocational curriculum. This will increase student recruitment through both the broad range of courses on offer and the high standard of vocational teaching and learning.

An Independent Safeguarding group has been established for 2020/21 which will strengthen safeguarding systems and procedures and provide assurance to the Governing Body.

Local boards, led by Foundation Governors will continue to develop the College reputation within local communities and establish and develop links.

### **Future Prospects**

The College has a strong foothold in South East London as a specialist sixth form provider, educating some 2,200 students across three sites. It has successfully taken on two failing 16-18 schools ensuring their future by improving outcomes and establishing financial stability. This is a work in progress and in the next two years the structures and processes established as a three site institution will continue to be consolidated and strengthened.

The College is involved with wider pedagogical and professional developments with Eton College and is also a Maths Centre for Excellence. As part of the Area Review Process the College submitted an expression of interest for academisation. However, it is noted by the Area Review Team that this cannot be taken further until agreement on protocols has been reached between the Catholic Education Service (CES) and DfE.

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Principal Risks and uncertainties**

The College has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management. It has introduced an internal Risk, Audit and Compliance Committee which reports directly to the Audit & Risk Committee. This Committee has an independent external Chair and members are from a cross selection of the leadership team, including Finance, MIS, IT, Curriculum, Marketing and Support areas.

Based on the strategic plan, the Risk Management Policy and Register ensures a comprehensive review of the risks to which the College is exposed. It identifies systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The risk register is maintained at the College level which is reviewed monthly at the Risk, Audit and Control (RAC) Committee and by the Audit & Risk Committee. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks. The RAC Committee regularly reviews the risk register, ensuring key activities to navigate risks are on track; these are tracked closely on the Risk Residual Map.

Outlined below is a description of the principal risk factors that may affect the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

The College has well developed strategies for managing risk and strives to embed risk management in all that it does, Risk management processes are designed to protect the College's educational outcomes, assets, reputation and financial stability. The governing body has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Governance.

A risk register is maintained at the Sixth Form which is reviewed monthly by the Risk, Audit and Compliance Committee. This Committee is independently chaired and is made up of key internal stakeholders. The minutes from these monthly meetings are reviewed by the Governing body. The risk register is also reviewed at each Audit & Risk Committee and once per year at Full Governing Body. The register identifies the key risks, the likelihood of those risks occurring, their potential impact and actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. The Risk Residual, updated monthly tracks risks following mitigation.

The Main risk factors are outlined below:

1. Inability to drive educational change in the context of the Catholic ethos of the College through a relevant curriculum delivered by the best governors, leaders, teachers and support staff in year risk. The risk is that the College fails to ensure:
  - All teaching and learning is good or better
  - Catholic Education meets the Bishop's requirements and is good or better
2. Inability to deliver outstanding learning and progression and outcomes by students who are challenged to succeed in year risk. The risk is that the College fails to ensure:
  - Student outcomes meet or exceed national standards
  - Student behaviour, attendance and punctuality are exemplary
3. Inability to deliver a highly regarded cohesive culture with holistic approaches that promote well-being across the College in year risk. The risk is that the College fails to ensure:
  - CTK is recalibrated and launched as a family of specialist sixth forms from September 2020
  - Approaches that define The CTK Way are strengthened and taken forward

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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4. Inability to maintain strong financial viability, strong central services that deliver value for money, estates that are fit for purpose and robust adherence to government policy, regulations and legal compliance, in year risk. The risk is that the College fails to ensure:
- Outstanding financial status is retained
  - Leadership and central staffing structures are strengthened
  - A response to COVID-19

**The effect of COVID 19**

The 2019/20 year was deeply impacted on due to COVID 19. Staff, students and Governors responded quickly to the challenge faced and overnight working practices including teaching and learning were transferred to remote working. Lockdown caused a major shift in how education was delivered and how results were awarded. The College quickly reacted to the changing circumstances and continued to safeguard our students and staff throughout such unprecedented times. This is a testament to the commitment and dedication to staff and Governors who care so deeply for the students we serve.

Whilst the pandemic is an ongoing operational challenge it remains a key and significant risk to the Colleges. The full effects of the pandemic are, as yet, unknown, however it is clear that they will be significant as we move forward. Challenges may include, fewer students choosing to leave their school sixth form, reduced opportunities for onsite marketing events to promote the sixth form to students and parents as well as additional costs to ensure the sites are COVID safe. Additional costs have occurred for cleaning, PPE and site safety. As a large employer in South East London, we have a clear responsibility to the communities we serve, and our Local Boards launched in September 2020 will ensure our COVID recovery work is central to our Mission.

The College has invested heavily in portable IT devices in 2019-20 for students and staff to ensure digital learning continues to be rapidly embedded across all lessons and staff and students are thoroughly prepared for remote or hybrid teaching and learning models, as well as developing their pedagogy to embed blended learning.

Throughout the COVID Pandemic the College has continued to ensure there is a strong sense of community and support for all learners, quickly ensuring students are systematically supported remotely during the lockdown.

The College remained open throughout the COVID lockdown to ensure High Needs, Key Workers and Vulnerable Students remained fully supported.

**Key Performance Indicators**

**CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE INDICATORS**

<b>Key performance Indicator</b>	<b>Measure/Target</b>	<b>Actual for 2019/20</b>
Student number targets	2368	2135
Student achievement/progression	98%	98%
Operating surplus/EBITDA as % of income	5%	(2.8%)
Ofsted rating	Good	Good

**GOVERNORS' REPORT (*continued*)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Student numbers**

Student numbers in 2019/20 declined to 2135, this accounted for an 8% overall decrease in student numbers. In line with the launch of specialist sixth form offers and those shared with the ESFA numbers are expected to start to increase in 2021/22 academic year. The under-recruitment by approximately 160 students mainly affected the Emmanuel site, and 'A' Level programmes in particular. Planned staffing reductions and efficiency savings will allow the College to manage the lower level of income in the next academic year.

**Student achievements**

Student achievements were broadly in line with national benchmarking for 'A' Levels and BTEC programmes. Value added performance declined at 'A' Level but was positive for BTEC provision. Value added will continue to be an area of specific focus for 2020/21. A particular strength of the College is in making students ready for the next stage in their lives, including progression to university. Many of our students have low levels of prior educational achievement. Our Graduate Programmes are designed to ensure all students are supported and challenged to achieve their potential. Our approach to Study Programmes ensures students have a coherent engaging curriculum offer that encourages ambitious progression.

**Payment performance**

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires College, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95% per cent. During the accounting period 1 August 2019 to 31 July 2020, the College had a policy in place in order to achieve this aim. The College incurred no interest charges in respect of late payment for this period.

**Equality and Diversity**

Christ the King Sixth Form College is committed to equality of opportunity and this aim is implicit in the Catholic ethos of the College and made explicit in the College Mission Statement.

This Single Equality Scheme is intended to ensure that we meet these duties, by bringing together existing equality schemes and action plans into one cohesive plan. The Scheme helps to demonstrate that equality and diversity are at the heart of what we do, makes it clear what we are asking of all those we work with and avoids duplication and confusion.

The College affirms the unique value of each member of our community and recognises their individual dignity. We also recognise the diversity of the community to which we belong and the responsibility this imposes on us. We expect these values to be upheld and promoted by all members of the College.

The College will seek to express its ethos – based on Catholic values – and create a welcoming and secure environment. As a cohesive community aware of its responsibilities to each other and broader society we will strive to combat all forms of discrimination.

College displays, publicity and social and educational events reflect the varied life experiences, interests and cultures of both students and staff.

The College seeks to support students in their educational ambitions and encourage them to aspire to the best possible outcomes. This includes providing every student with a personal tutor and the opportunity for careers guidance.

**GOVERNORS' REPORT (*continued*)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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Appropriate support is offered to students with particular learning difficulties, physical disabilities or special needs to maximise their educational opportunities at the College.

Students for whom English is not their first language are provided with the additional support required to fully access the curriculum.

In line with the mission of the College, students who are experiencing difficulties in either their work or personal lives are offered or directed to appropriate support. This includes the support service provided through Tutors, Heads of Hall and by the Chaplaincy Team.

Christ the King Sixth Form College's Single Equality Scheme has been developed to set out our commitment to diversity and equality and to address the statutory duties introduced by the following pieces of UK legislation;

- Race Relations (Amendment) Act 2000
- Disability Discrimination Act 2005
- Equality Act 2006 and 2010

The Single Equality Scheme (SES) contains the College Race, Disability and Gender Equality Schemes (as Annexes A, B and C), and our equality action plan for the three schemes. The equality schemes are underpinned by a comprehensive Equality Action Plan (Annex D) which explains how we aim to implement the schemes.

#### **Disability statement**

The College is opposed to all forms of discrimination aimed at people with disabilities or learning difficulties/needs, and we welcome the legal duties contained in the Disability Discrimination Act 1995 and the Special Educational Needs and Disability Act 2001 as they apply to this institution. The College considers all employment applications from disabled persons.

The College affirms the unique value of each member of our community and recognises their individual dignity and specific needs. We also celebrate the diversity of our community and accept the responsibility this places on us. We expect these values to be upheld and promoted by all members of the College to ensure that disability of any sort is not a barrier to any student or member of staff.

#### **Education Health Care Plan**

The College welcomes applications from all potential students including those who have a formal education health care plan. The College will take all reasonable steps to ensure that the individual needs of students with such plans are met.

#### **Access to Buildings**

The College aims to ensure that students, staff and visitors with disabilities have access to its buildings. However, it is recognised that the age and current design of the buildings do not facilitate full disabled access at present. The College is continually investing in improving and upgrading its facilities for students, staff and visitors with a physical disability. The College has implemented a schedule of works based upon not only refurbishments of existing buildings but also a planned removal of existing barriers to access where they put people with physical disability at a disadvantage. The College regularly reviews access issues and endeavours to improve access arrangements on all sites as part of any remodelling and maintenance works.



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**CHRIST THE KING SIXTH FORM COLLEGE**  
**(A company limited by guarantee)**

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**GOVERNORS' REPORT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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Lifts have been installed to provide better access to some floors thus making the College more accessible to people using wheelchairs.

Additional ramps and automatic doors have been installed to facilitate movement in the College.

Improved signage has also been put in place to increase accessibility for all students.

The College currently has ramped access to the main reception areas. There are toilets specifically built for disabled use throughout the College.

Where a student has particular access needs, most lessons not requiring specialist equipment can be timetabled into classrooms which have full disabled access.

It is the intention of the College that it would have anticipated the requirements of students with disabilities and other users of the College with disabilities and provided reasonable adjustments in order to make the College as accessible as possible in compliance with the DDA 1995 and the Special Education Needs and Disability Act 2001.

**Going Concern**

The Sixth Form does not have any notable going concern issues. It has £10.9m principally invested in cash for the foreseeable future and no bank loans or associated covenants.

During the COVID Pandemic it has received additional Bursary funding due to the increased financial needs of its students. The Sixth Form has faced significant additional costs in relation to cleaning and ensuring the site is COVID safe.

The Sixth Form prepares detailed financial forecasts covering a period of three years. These include scenario analyses that assess the very significant impact that future government policy and spending decisions will have on the Sixth Form's financial position.

The Sixth Form has significant reliance on the Education and Skills Funding Agency for its principal funding source, largely from recurrent grants. In 2019/20 the ESFA provided 97% of the Sixth Form's total income. It is assumed that this funding will continue.

After making appropriate enquiries, the Governing Body considers that the Sixth Forms has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

**Events after the reporting period**

There are no significant post balance sheet events.

**Disclosure of information to auditors**

The Members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each Member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the College's auditors are aware of that information.

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**CHRIST THE KING SIXTH FORM COLLEGE**  
(A company limited by guarantee)

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**GOVERNORS' REPORT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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Approved by order of the Members of the Governing Body on 14 January 2021 and signed on its behalf by:



**Dr Rupert Evenett**  
Chair  
Date: 14 January 2021

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Governance Statement**

The following statement is provided to enable readers of the annual report and accounts of the College to obtain a better understanding of its governance and legal structure. This statement covers the period from 1st August 2019 to 31st July 2020 and up to the date of approval of the annual report and financial statements.

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to College from the Association of College in The Code of Good Governance for English College ("the Code"); and
- iii. having due regard to the UK Corporate Governance Code 2016 insofar as it is applicable to the further education sector.

The College is committed to exhibiting best practice in all aspects of corporate governance and in particular the College has adopted and complied with the Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

In the opinion of the Governors, the College complies with/exceeds all the provisions of the Code, and it has complied throughout the year ended 31 July 2020. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

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**CHRIST THE KING SIXTH FORM COLLEGE**  
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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Members of The Governing Body**

The Members who served on the Governing Body during the year and up to the date of signature of this report were as listed in the table below:

<b>Governor</b>	<b>Term of Office (no of terms)</b>	<b>Date of Resignation</b>	<b>Status of Appointment</b>	<b>Committees Served</b>	<b>Overall Attendance in 2019/20</b>
Dr R Evenett	Until 6 <sup>th</sup> Dec 2023 (4)		Foundation Chair of Governors	F&R Remuneration Search	100%
Mr R McAuliffe	From 1 <sup>st</sup> Sept 2017 to 31 <sup>st</sup> Dec 2019	December 2019	Co-Principal ex officio	F&R Q&C Search	100%
Mrs S Razey	From 18 <sup>th</sup> March 2019		Co-Principal ex officio	F&R Q&C Search	100%
Mgr N Rothon	Foundation - until 2021 (3)		Foundation	F&R Remuneration Search	100%
Miss M Burt	Until 31 <sup>st</sup> May 2020 (3)		Foundation	A&R	100%
Miss S Mellish	Until 20 <sup>th</sup> Oct 2021 (3)		Foundation	Q&C	100%
Mrs T Gilpin	Until 23 <sup>rd</sup> Oct 2021 (2)		Foundation	F&R Remuneration	83%
Mrs S Gyde	Until 24 <sup>th</sup> Oct 2019 (2)		Foundation	Q&C (Chair)	0%
Ms N Reynier	From 8 <sup>th</sup> Oct 2019 (1)		Foundation	Q&C	80%
Mrs H Wilkinson	Until 18 <sup>th</sup> Dec 2022 (4)		Foundation	Q&C (Vice Chair)	100%
Mrs N Simpson	Until 31 <sup>st</sup> July 2022 (1)		Foundation	A&R	67%
Mr J Ochere	From 4 <sup>th</sup> Oct 2016		Co-opted	Q&C	83%
Mr M Miller	From 5 <sup>th</sup> Feb 2019		Student	Q&C	33%
Miss S Orłowski	From 5 <sup>th</sup> Dec 2017 until 8 <sup>th</sup> Oct 2019		Teaching Staff	A&R	0%
Mr N Bush	From 5 <sup>th</sup> Dec 2017 until 8 <sup>th</sup> Oct 2019		Support Staff	A&R	0%
Mr S Armah	From 11 <sup>th</sup> February 2020		Teaching Staff		50%
Mr M Smith	From 11 <sup>th</sup> February 2020		Support Staff		100%

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**CHRIST THE KING SIXTH FORM COLLEGE**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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Foundation Governor re-appointment is currently in process for Miss M Burt.

Foundation Governor appointment is currently in process for 1 candidate who will hopefully become a Governor in 2020.

Mr Andrew Lantry is co-opted as Chair of Audit & Risk Committee from 15<sup>th</sup> November 2017.

Mrs Deborah Baldwin has acted as Clerk to the Governing Body since June 2016.

It is the Governing Body's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The Governing Body is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Governing Body meets at least once each term.

The Governing Body conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Governing Body. These committees are Finance, Resources & Business, Audit & Risk, Quality & Curriculum, Search, and Remuneration. Full minutes of all meetings, except those deemed to be confidential by the Governing Body, are available on the College's website at [www.ctk.ac.uk](http://www.ctk.ac.uk) or from the Clerk to the Governing Body at:

Christ the King Emmanuel  
Belmont Grove  
Lewisham  
London  
SE13 5GE

The Clerk to the Governing Body maintains a register of financial and personal interests of the governors. The register is available for inspection at the above address.

All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Governing Body, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Governing Body as a whole.

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings are provided throughout the academic calendar to Governors to ensure they are kept up to date. Throughout the COVID Pandemic, a COVID sub-group was formed so that regular updates and discussions could take place.

The Governing Body has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Governing Body considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

**GOVERNANCE STATEMENT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Appointments to the Governing Body**

Any new appointments to the Governing Body are a matter for the consideration of the Governing Body as a whole. The Governing Body has a search committee, consisting of three members of the Governing Body, which is responsible for the selection and nomination of any new member for the Governing Body's consideration. The Governing Body is responsible for ensuring that appropriate training is provided as required.

Members of the Governing Body are appointed for an initial term of office of four years, which is renewable depending on performance, continuing skills fit and need. The Governing Body annually considers the mix of skills and experience required and the skills and experience of its current members.

New Governors are supported via an Induction programme. Governors have a Learning and Development Plan including "in house" training provision.

**Governing Body performance**

Throughout the Pandemic Governors have responded quickly to the strategic needs of the Sixth Form. This included a COVID-19 Sub Group being formed that meets every two weeks. All Governing Body meetings have taken place remotely since March and will continue to do so during 2020-21. Governors have quickly become familiar with using Microsoft Teams and meetings are streamlined and effective. Attendance to online meetings has been high during the Pandemic.

Governors provide clarity of vision for the College seeking to ensure that the mission underpins all strategies, policies and procedures. The College fosters a spirit of generosity and love which stems from the mission and values of its Catholic ethos. The Quality and Curriculum Committee leads proactively. It focusses on strategic themes thus enabling the members to question, understand and evaluate the quality processes in place. The educational character of the College and the student experience are underpinned by dialogue and debate. The Chair of the Committee leads by example and encourages Governors to take a robust approach when reviewing and assessing all areas of quality processes, systems and provision and this includes all aspects of the curriculum.

Governors carried out a self-assessment of its own performance for the year ended 31 July 2020 and graded itself as 'Good' on the Ofsted Scale.

Governors are effective and inclusive in putting students first. They consistently seek to raise aspirations and outcomes. They ensure relevant and challenging targets are set and review progress against these.

Each Governors Committee has clear Performance Indicators which are reported on at each meeting, these are reviewed annually and adapted where necessary.

There is a designated Governor with responsibility for safeguarding who meets with Designated Safeguarding Lead on a regular basis. Safeguarding has been further strengthened in 2020/21 through the appointment of an Independent safeguarding lead who reports to the Governing Body directly. If any serious issues occur these are also reported to the Safeguarding Chair.

Governors are assured that effective safeguarding procedures are in place and mandatory Safeguarding training is provided by the Collegiate. The PREVENT, British Values and Keeping Children Safe in Education have all been incorporated into the Safeguarding Policy and briefing given to Governors. The requirements of Keeping Children Safe in Education have been discussed with Governors and implemented.

**GOVERNANCE STATEMENT (*continued*)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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Governors approve a range of policies, the implementation of which is then reviewed, to ensure the promotion of equality and diversity. These include the Equality Policy itself and Admissions. EDIMS are monitored on an annual basis to ensure that there are no underperforming groups of students, and that staff are appointed and promoted on merit alone. There are no significant areas requiring improvement.

Governors set balanced budgets which are realistic, and the College has ESFA Grade A financial status. Governors receive reports on plans for efficiency and effectiveness to ensure they are realistic and compatible with the College mission, values and aims. Governors also maintain an awareness of the ever changing financial climate and remain alert as to how this may impact on CTK. They also approve plans to improve the College buildings and facilities in order to enhance the teaching and learning experience, ensuring that the cost of these plans is affordable. Internal audit and risk management reports provide assurance that the College is well managed.

Strategies for improving the standard of teaching, learning and assessment are seen to have been effective in that most targets are met. Quality Improvement Plans and Quality Enhancement Plans remain under scrutiny and governors are given the opportunity to examine and question areas of the QIPS/QEPS as a means of assessing their effectiveness in driving up outcomes and quality.

The professional development of staff has been a key College priority and developments are detailed in the Professional Development plan. Progress with the Professional Development Strategy is reviewed regularly by the Governors.

The emphasis on internally developed professional development programmes have enhanced and strengthened the delivery and consistency of the “CTK Way”. There remain some challenges for the College and these are to achieve consistency across all subject areas.

The CTK Vision for students which served to strengthen the CTK Mission has been further developed in the context of a CTK Approach to Character Education, leading to the formation of the CTK GRACES. Governors have been proactive in supporting and encouraging these developments.

Governors have approved policies and received reports as follows:

1. All staff are subject to an annual performance review and in the context of the new pay framework for teaching staff a new Appraisal Policy has been agreed.
2. The Remuneration Committee receives reports on the performance against targets of the senior post holders.
3. The Professional Development plan has been approved.
4. The quality process, which includes quality review processes, Quality Improvement Plans for underperforming subjects and whole College QIP are reviewed by the Quality and Curriculum Committee on a termly basis

The self-assessment process and self-assessment reports are reviewed and are rigorous leading to improvements in most cases within a year. The Self-Assessment Report (SAR) is approved and monitored by the Governing Body.

Data on learners has improved and this is reflected in the reports that inform governors. However, there is more to do in order to understand the full range of new impact measures developed in 2019/20. Centre Assessment Grades were awarded in 2019/20 due to COVID-19 so it is difficult to evaluate progress this academic year on the impact on actual results.

**GOVERNANCE STATEMENT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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The College has developed quality systems that are delivering good and improved outcomes for students. In addition, the QIP's, which address performance issues and broaden the quality work to continual development of subject areas with already good Teaching and Learning with the identification and active sharing of good practice.

CTK curriculum provision is actively reviewed and meets the requirements of students who present with a broad range of abilities and ambitions. Students are also offered the opportunity to engage in many enrichment activities.

Governors have received a programme of briefings and training throughout the academic year. Governors have continued to improve their understanding of the College and its context at the annual Governor Development Day in the autumn. Governors will continue to benefit from regular "in house" training provision and will also be supported to enhance their skills and knowledge by attending conferences and workshops.

**Remuneration Committee**

Throughout the year ending 31 July 2020 the College' Remuneration Committee comprised of the membership of the Finance & Resources Committee excluding the Principal and any staff or student members of the Governing Body. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other key management personnel. Senior staff remuneration are benchmarked by the committee against AOC benchmarks. Details of remuneration for the year ended 31 July 2020 are set out in Note 8 to the financial statements.

**Audit and Risk Committee**

The Audit and Risk Committee comprises five members of the Governing Body (excluding the Accounting Officer and Chair and members of the Finance and Resources Committee). The Committee operates in accordance with written terms of reference approved by the Governing Body.

The Audit and Risk Committee meets on a termly basis and provides a forum for reporting by the College internal, reporting accountants and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College business.

The College internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit and Risk Committee.

Management is responsible for the implementation of agreed audit recommendations and internal audit undertakes periodic follow-up reviews to ensure such recommendations have been implemented.

The Audit and Risk Committee also advises the Governing Body on the appointment of internal, reporting accountants and financial statements auditors and their remuneration for audit and non-audit work as well as reporting annually to the Governing Body.



**GOVERNANCE STATEMENT (*continued*)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Quality and Curriculum Committee**

The membership of the Committee shall be eight Governors, three of whom shall be Foundation Governors, nominated by the Governing Body from within their number, and one of whom shall be a student governor. The nominations shall include the Principal. The other student governors shall be alternate members in place of the appointed student governor and may attend meetings as observers. This committee is set up in accordance with the Instrument and Articles of Government, to advise and make recommendations to the Governing Body so as to ensure that the Governing Body meets its responsibilities in all aspects relating to curriculum and quality. Personnel matters are included in the Quality and Curriculum agenda.

**Finance and Resources Committee**

The Finance and Resources Committee comprises of six members of the Governing Body. This will include the Chair of Governors, the Principal, and a total of at least 3 Foundation Governors. Student governors are ineligible to join this committee.

The Committee meets at least termly but typically 5 times per year.

The Committee monitors the College financial position in order to advise the Governing Body on all related matters including solvency, budget control, management accounts, statutory financial statements and funding methodology. The Management Accounts, and all matters financial, are produced in respect of three College sites. Where required, figures may need to be updated in light of changes that impact on College finances.

To advise on property maintenance and development in order to ensure a safe and suitable environment for students and staff.

In accordance with the Instrument and Articles of Government to advise and make recommendations to the Governing Body, so as to ensure that the Governing Body meets its responsibilities as an employer and in doing so conforms to all legal requirements and the requirements of the funding body. The Committee may determine, on the Governing Body's behalf, all aspects of the framework of conditions of service of staff, save those that are non-delegable under the Articles, general law, and funding conditions, or that have been allocated to the Quality & Curriculum Committee.

**Internal control**

The Governing Body is ultimately responsible for the College system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Executive Principal and Accounting Officers, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which they are personally responsible, in accordance with the responsibilities assigned to them in the Financial Memorandum/Financial Agreement between Christ the King Sixth Form College and the funding bodies. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

**GOVERNANCE STATEMENT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Christ the King Sixth Form College for the year ended 31 July 2020 and up to the date of approval of the annual report and accounts.

**Capacity to handle risk**

The Governing Body has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the College significant risks that has been in place for the period ending 31 July 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

**The risk and control framework**

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body
- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate
- regular reviews by management of operational and strategic risks which inform reports to the Audit and Risk Committee and Governing Body.

Christ the King Sixth Form College uses an internal audit provider which operates in accordance with the requirements of the ESFA's Post-16 Audit Code of Practice. The work of the internal audit provider is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Governing Body on the recommendation of the Audit & Risk committee. At minimum, annually, the Internal Audit Provider prepares a report for the Governing Body on internal audit activity in the College. The report includes the Internal Audit Provider's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Review of effectiveness**

The Executive Principal and Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. Their review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance, the appointed funding auditors (for College subject to funding audit) in their management letters and other reports.

The Accounting Officer has been advised on the implications of the result of their review of the effectiveness of the system of internal control by the Audit and Risk Committee, which oversees the work of the internal auditor and other sources of assurance and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The senior leadership team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The senior leadership team and the Audit & Risk Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit & Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Governing Body's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit & Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its January 2021 meeting, the Governing Body carried out the annual assessment for the year ended 31 July 2020 by considering documentation from the senior leadership team and internal audit, and taking account of events since 31 July 2020.

Based on the advice of the Audit & Risk Committee and the Accounting Officer, the Governing Body is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

Approved by order of the members of the Governing Body on 14 January 2021 and signed on its behalf by:



**Dr Rupert Evenett**  
Chair  
Date: 14 January 2021



**Mrs Shireen Razey**  
Accounting Officer & Executive Principal  
Date: 14 January 2021

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**CHRIST THE KING SIXTH FORM COLLEGE**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 JULY 2020**

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The Governing Body has considered its responsibility to notify the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding, under the College's grant funding agreement and contracts with ESFA. As part of our consideration we have had due regard to the requirements of the grant funding agreements and contracts with ESFA.

We confirm on behalf of the Governing Body that after due enquiry, and to the best of our knowledge, we are able to identify any material irregular or improper use of funds by the College, or material non-compliance with the terms and conditions of funding under the College's grant funding agreements and contract with ESFA, or any other public funder.

We confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the ESFA.



**Dr Rupert Evenett**

Chair

Date: 14 January 2021



**Mrs Shireen Razey**

Accounting Officer & Executive Principal

Date: 14 January 2021

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 JULY 2020**

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The Governors of the College, as Charity Trustees, are required to present audited financial statements for each financial year.

Within the terms and conditions of the College's grant funding agreements and contracts with the ESFA, the College, through its Accounting Officer, is required to prepare financial statements for each financial year in accordance with the 2015 Statement of Recommended Practice -- Accounting for Further and Higher Education Institutions, ESFA's College Accounts Direction and the UK's Generally Accepted Accounting Practice, which give a true and fair view of the state of affairs of the College and its surplus/deficit.

In preparing the financial statements, the College is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation.

The College is also required to prepare a Governors' Report which describes what it is trying to do and how it is going about it, including the legal and administrative status of the College.

The College is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the College and to enable it to ensure that the financial statements are prepared in accordance with the relevant legislation of incorporation, including the Further and Higher Education Act 1992, the Charities Act 2011, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard assets of the College and to prevent and detect fraud and other irregularities.

The maintenance and integrity of the College website is the responsibility of the Board of Governors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governors of the College are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA are used only in accordance with the ESFA's grant funding agreements and contracts and any other conditions that may be prescribed from time to time. The Governors must ensure that there are appropriate financial and management controls in place in order to safeguard public and other funds and to ensure they are used properly. In addition, the Governors of the College are responsible for securing economical, efficient and effective management of the College's resources and expenditure, so that the benefits that should be derived from the application of public funds by the ESFA are not put at risk.

Approved by order of the Governors of the College on 14 January 2021 and signed on its behalf by:



.....  
**Dr R Evenett**  
Chair

**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Opinion**

We have audited the financial statements of Christ the King Sixth Form College (the 'College') for the year ended 31 July 2020 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows, the principal accounting policies, and the notes to the financial statements. 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 College's affairs as at 31 July 2020 and of its deficit of income over expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education.

**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 College 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the College'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 Governors of the College are responsible for the other information. The other information comprises the information included in the Governors' 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.

**INDEPENDENT AUDITOR'S REPORT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Post 16 Audit Code of Practice issued by the Education and Skills Funding Agency requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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 the Governors of the College**

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

In preparing the financial statements, the Governors of the College are responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors of the College either intend to liquidate the College 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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**CHRIST THE KING SIXTH FORM COLLEGE**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT *(continued)***  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Use of our report**

This report is made solely to the Governors of the College, as a body, in accordance with the College's Articles of Government. Our audit work has been undertaken so that we might state to the Governors of the College 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 College and the Governors of the College as a body, for our audit work, for this report, or for the opinions we have formed.

*MHA MacIntyre Hudson*

**MHA MacIntyre Hudson**

Chartered Accountants and Registered Auditor  
6<sup>th</sup> Floor  
2 London Wall Place  
London  
EC2Y 5AU

Date: 29 January 2021



**ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY**  
**FOR THE YEAR ENDED 31 JULY 2020**

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In accordance with the terms of our engagement letter and further to the requirements of the financial memorandum with the Education and Skills Funding Agency we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest that in all material respects the expenditure disbursed and income received by Christ the King Sixth Form College during the period 1 August 2019 to 31 July 2020 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice ("the Code") issued by the ESFA. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record (ILR) returns, for which the Department has other assurance arrangements in place.

This report is made solely to the Governors of Christ the King Sixth Form College and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Governors of Christ the King Sixth Form College and the ESFA those matters we are required to state in a 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 Governors of Christ the King Sixth Form College and the ESFA for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Christ the King Sixth Form College and the reporting accountant**

The Corporation of Christ the King Sixth Form College is responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2019 to 31 July 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Code issued by the ESFA. We performed a limited assurance engagement as defined in that framework.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the College's income and expenditure.

**ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY (*continued*)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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The work undertaken to draw to our conclusion includes:

- An assessment of material irregularity and impropriety across all of the College's activities;
- Further testing and review of self-assessment questionnaire including inquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2019 to 31 July 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*MHA MacIntyre Hudson*

**MHA MacIntyre Hudson**  
Chartered Accountants and Registered Auditor  
6th Floor  
2 London Wall Place  
London  
EC2Y 5AU

Date: 29 January 2021

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2020**

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	Note	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
<b>INCOME:</b>				
Funding body grants	4	14,820	14,820	15,342
Other grants and contracts	5	296	296	369
Other income	6	64	64	160
Investment income	7	79	79	89
<b>Total income</b>		<b>15,259</b>	<b>15,259</b>	<b>15,960</b>
<b>EXPENDITURE:</b>				
Staff costs	8	9,612	9,612	9,586
Other operating expenses	10	4,454	4,454	4,619
Depreciation	12	1,562	1,562	1,546
Interest and other finance costs	9	65	65	51
<b>Total expenditure</b>		<b>15,693</b>	<b>15,693</b>	<b>15,802</b>
<b>(Deficit)/surplus before other recognised gains/(losses)</b>		<b>(434)</b>	<b>(434)</b>	<b>158</b>
<b>Other recognised gains/(losses):</b>				
Actuarial losses in respect of pension schemes	22	(431)	(431)	(828)
<b>Total Comprehensive Income for the year</b>		<b>(865)</b>	<b>(865)</b>	<b>(670)</b>
<b>Reconciliation of reserves:</b>				
Total funds brought forward		8,667	8,667	9,337
Total Comprehensive Income		(865)	(865)	(670)
<b>Total reserves carried forward</b>		<b>7,802</b>	<b>7,802</b>	<b>8,667</b>

All items of income and expenditure relate to continuing activities.

The notes on pages 37 to 60 form part of these financial statements.

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 JULY 2020**

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	<b>Income and Expenditure account £000</b>	<b>Voluntary Fund £000</b>	<b>Total £000</b>
<b>Balance at 1st August 2018</b>	<b>9,277</b>	<b>60</b>	<b>9,337</b>
Surplus from the income and expenditure account	<b>158</b>	-	<b>158</b>
Other comprehensive income	<b>(828)</b>	-	<b>(828)</b>
<b>Total comprehensive income for the year</b>	<b>(670)</b>	-	<b>(670)</b>
<b>Balance at 31st July 2019</b>	<b>8,607</b>	<b>60</b>	<b>8,667</b>
Deficit from the income and expenditure account	<b>(434)</b>	-	<b>(434)</b>
Other comprehensive income	<b>(431)</b>	-	<b>(431)</b>
<b>Total comprehensive income for the year</b>	<b>(865)</b>	-	<b>(865)</b>
<b>Balance at 31st July 2020</b>	<b>7,742</b>	<b>60</b>	<b>7,802</b>

The notes on pages 37 to 60 form part of these financial statements.

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**BALANCE SHEET  
AS AT 31 JULY 2020**

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	Note	2020 £000	2020 £000	2019 £000	2019 £000
<b>Non-current assets</b>					
Tangible assets	12		11,217		11,552
			<u>11,217</u>		<u>11,552</u>
<b>Current assets</b>					
Stocks	13	23		23	
Trade and other receivables	14	207		316	
Cash at bank and in hand	18	10,873		10,799	
		<u>11,103</u>		<u>11,138</u>	
Creditors: amounts falling due within one year	15	(2,533)		(2,045)	
		<u>8,570</u>		<u>9,093</u>	
<b>Net current assets</b>					
			<u>19,787</u>		<u>20,645</u>
<b>Total assets less current liabilities</b>					
Creditors: Amounts falling due after more than one year	16		(8,187)		(9,093)
			<u>11,600</u>		<u>11,552</u>
<b>Net assets excluding pension liability</b>					
Defined benefit pension scheme liability	22		(3,798)		(2,885)
			<u>7,802</u>		<u>8,667</u>
<b>Total net assets</b>					
<b>Unrestricted reserves</b>					
Income and expenditure account		11,600		11,552	
Pension reserve		(3,798)		(2,885)	
<b>Total unrestricted reserves</b>			<u>7,802</u>		<u>8,667</u>

The financial statements were approved and authorised for issue by the Governors on 14 January 2021 and signed on their behalf by:



.....  
**Dr R Evenett**  
Chair



.....  
**Mrs Shireen Razey**  
Accounting Officer & Executive Principal

The notes on pages 37 to 60 form part of these financial statements.

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CHRIST THE KING SIXTH FORM COLLEGE

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2020

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	Note	2020 £000	2019 £000
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	17	1,222	928
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Investment income	7	79	89
Purchase of tangible fixed assets	12	(1,227)	(125)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		<b>(1,148)</b>	<b>(36)</b>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>74</b>	<b>892</b>
Cash and cash equivalents at the beginning of the year		10,799	9,907
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	18	<b>10,873</b>	<b>10,799</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 37 to 60 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**1. General information**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2019 to 2020 and in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102).

The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are prepared in accordance with the historical cost convention. The financial statements are prepared in pounds sterling and are rounded to the nearest thousand.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the College's accounting policies.

**2.2 Going concern**

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Governors' Report. The financial position of the College, its cashflow, liquidity and borrowings are presented in the Financial Statements and accompanying Notes.

The College has significant reliance on the Education and Skills Funding Agency for its principal funding source, largely from recurrent grants. In 2019/20 the ESFA provided 97% of the Sixth Form's total income.

The College prepares detailed financial forecasts covering a period of three years. These include scenario analyses that assess the very significant impact that future government policy and spending decisions will have on the Sixth Form's financial position.

The College has £10.9m principally invested in cash for the foreseeable future. It has no bank loans or associated covenants.

During the COVID Pandemic it has received additional bursary funding due to the increased financial needs of its students.

After making appropriate enquiries, the Governing Body considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements

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

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2. Accounting policies (continued)

2.3 Recognition of income

*Revenue grant funding*

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. 16-18 funding is not subject to reconciliation and is therefore not subject to contract adjustments.

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

*Capital grant funding*

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

*Fee income*

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period for which it is received.

*Investment income*

All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned on a receivable basis.



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

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**2. Accounting policies (continued)**

**2.3 Recognition of income (continued)**

*Agency arrangements*

The College acts as an agent in the collection and payment of certain bursary funds.

Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the College where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction. These transactions are shown separately in Note 25, except for the 5 per cent of the grant received which is available to the College to cover administration of discretionary support fund applications and payments.

**2.4 Short term employment benefits**

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

**2.5 Termination payments**

The actual cost of any payments to former members of staff in respect of loss of office is charged in full as an expense within staff costs in the year that the member of staff's employment is terminated. Any such payments to Key Management Personnel are disclosed within Note 8.

**2.6 Enhanced pensions**

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a college annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the College's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the Balance Sheet.

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

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2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

*Land and Buildings and Assets Under Construction*

Land and buildings that are the property of the Roman Catholic Diocesan Trustees do not appear in the College's accounts. Other land and buildings are stated in the Balance Sheet at valuation on the basis of open market value for existing use or, where this is not readily available, depreciated replacement cost. The associated credit is included in deferred capital grants. An amount equal to the depreciation charged in the year is released from capital grants. Other buildings and leasehold land are depreciated over the estimated useful life of 50 years on a straight line basis.

On 7 September 2006 in respect of the College's Lewisham site and on 3 December 2009 for the College's Sidcup site the College received confirmation from the Diocese that intends to retain both the land and the buildings currently occupied by the College to be used for its present purpose and if at any time during the period of 40 years from these dates a particular building project is completed, the College ceases to be in occupation of the land and buildings, and the Diocese thereby recovers vacant possession of land and buildings then a sum equal to one fortieth of the Learning and Skills Council's or its successor organisations' grant or funds expended by College Governors on additions or improvements to the land and buildings multiplied by the difference between forty and the number of years the land and buildings have been occupied by the College since the date when the college vacates the land and buildings, shall be repaid to College Governors or the Learning Skills Council or its successor organisations as appropriate.

Accordingly all significant building projects completed after 7 September 2006 are capitalised and depreciated over their expected useful life. Works not completed at the year end are capitalised as assets under construction. Depreciation on these assets commences in the year of completion. Building improvements and refurbishment is depreciated at 10% of cost per year on a straight line basis.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Comprehensive Income.

*Subsequent expenditure on existing fixed assets*

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to expenditure in the period it is incurred, unless it increases the future benefits to the College, in which case it is capitalised and depreciated on the relevant basis.

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

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2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

*Equipment*

Equipment costing less than £5,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost. Equipment inherited from the local education authority are included in the Balance Sheet at valuation.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	25%
Fixtures and fittings	-	20%
Value added project	-	20%
Computer equipment	-	33%
Other fixed assets	-	10%

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to deferred capital grant and released to the income and expenditure account over the expected useful life of the related equipment.

2.8 Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term.

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as finance leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as an obligation under finance leases. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

2.9 Maintenance of premises

The cost of routine corrective maintenance is charged to the Statement of Comprehensive Income in the period it is incurred. Provision for planned maintenance is only made where the College has a present legal or constructive obligation to transfer economic benefit as a result of past events.

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

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**2. Accounting policies (continued)**

**2.10 Stock**

Stock is valued at the lower of cost (using the first in first out method) and net realisable value, being selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving and defective items.

**2.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.12 Cash and cash equivalents**

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

**2.13 Financial liabilities and equity**

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All loans, investments and short term deposits held by the College are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the College has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

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

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2. Accounting policies (continued)

2.14 Provisions and contingent liabilities

Provisions are recognised when:

- the College has a present legal or constructive obligation as a result of a past event;
- it is probable that a transfer of economic benefit will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Comprehensive Income in the period it arises.

A contingent liability arises from a past event that gives the college a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the college. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but are disclosed in the notes to the financial statements.

2.15 Financial instruments

The College only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the College and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.16 Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is not registered for Value Added Tax, so that it cannot recover VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

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

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2. Accounting policies (continued)

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the College and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

In preparing these financial statements, management have made the following judgements:

- Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the College's tangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- *Tangible fixed assets*

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 July 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**4. Funding body grants**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
<b>Recurrent grants</b>		
Education and Skills Funding Agency - 16-18	<b>13,056</b>	<i>13,906</i>
<b>Specific Grants</b>		
Education and Skills Funding Agency	<b>499</b>	<i>530</i>
Teacher Pension Scheme contribution grant	<b>359</b>	<i>-</i>
Releases of government capital grants	<b>906</b>	<i>906</i>
	<hr/>	<hr/>
	<b>14,820</b>	<i>15,342</i>
	<hr/> <hr/>	<hr/> <hr/>

**5. Other grants and contracts**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Other grants and contracts	<b>273</b>	<i>369</i>
Exceptional government funding	<b>23</b>	<i>-</i>
	<hr/>	<hr/>
	<b>296</b>	<i>369</i>
	<hr/> <hr/>	<hr/> <hr/>

The College furloughed catering staff under the government's Coronavirus Job Retention Scheme. The funding received of £23k relates to staff costs which are included within the staff costs note as appropriate.

**6. Other income**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Catering and residencies	<b>58</b>	<i>104</i>
Miscellaneous income	<b>6</b>	<i>56</i>
	<hr/>	<hr/>
	<b>64</b>	<i>160</i>
	<hr/> <hr/>	<hr/> <hr/>

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CHRIST THE KING SIXTH FORM COLLEGE

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

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7. Investment income

	<b>2020</b> <b>£000</b>	<i>2019</i> <i>£000</i>
Other interest receivable	79	89
	<u>79</u>	<u>89</u>

8. Staff costs

	<b>2020</b> <b>£000</b>	<i>2019</i> <i>£000</i>
Wages and salaries	7,072	7,371
Social security costs	691	716
Pension costs	1,849	1,499
	<u>9,612</u>	<u>9,586</u>

Included in wages and salary costs are non-contractual severance payments totalling £45k (2019 - £30k) and contractual severance payments of £30k (2019 - £38k).

The average number of persons employed by the College during the year was as follows:

	<b>2020</b> <b>No.</b>	<i>2019</i> <i>No.</i>
Teaching staff	126	106
Non-teaching staff	85	99
	<u>211</u>	<u>205</u>



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

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8. Staff costs (continued)

The number of Key Management Personnel and other staff who received annual emoluments, excluding employer contributions to national insurance and pensions but including benefits in kind, in the following ranges was:

	<b>Key Management Personnel 2020 No.</b>	<i>Key Management Personnel 2019 No.</i>	<b>Other staff 2020 No.</b>	<i>Other staff 2019 No.</i>
£0 - £20,000	-	-	-	-
£20,001 - £25,000	1	-	-	-
£25,001 - £30,000	1	-	-	-
£30,001 - £35,000	-	-	-	-
£35,001 - £40,000	-	-	-	-
£40,001 - £45,000	-	-	-	-
£45,001 - £50,000	-	-	-	-
£50,001 - £55,000	1	-	-	-
£55,001 - £60,000	-	-	-	-
£60,001 - £65,000	-	-	1	1
£65,001 - £70,000	1	1	-	-
£70,001 - £75,000	-	-	-	1
£80,001 - £85,000	-	-	-	1
£90,001 - £95,000	1	-	-	-
£100,001 - £105,000	-	1	-	-
£105,001 - £110,000	-	-	-	1
£115,001 - £120,000	1	1	-	-
£125,001 - £130,000	1	-	-	-
	<b>7</b>	<i>3</i>	<b>1</b>	<i>4</i>

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

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8. Staff costs (continued)

**Key Management Personnel**

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Governing Body and the Senior Leadership team which in 2019/20 comprises the Principal, the Director of Finance and Estates, and the Deputy Principals. Staff costs include compensation paid to Key Management Personnel for loss of office.

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
<b>Emoluments of Key Management Personnel including the Accounting Officer</b>		
The number of Key Management Personnel including the Accounting Officer was:	<b>7</b>	<i>3</i>
	<u><b>7</b></u>	<u><i>3</i></u>
	<u><b>7</b></u>	<u><i>3</i></u>
	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
<b>Key Management Personnel compensation is made up as follows:</b>		
Basic salary	<b>503</b>	<i>285</i>
Employers national insurance contributions	<b>63</b>	<i>36</i>
Pension contributions	<b>113</b>	<i>48</i>
	<u><b>679</b></u>	<u><i>369</i></u>
<b>Total Key Management Personnel compensation</b>	<u><b>679</b></u>	<u><i>369</i></u>

There were no amounts due to Key Management Personnel that were waived in the year, nor any salary sacrifice arrangements in place.

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## CHRIST THE KING SIXTH FORM COLLEGE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 8. Staff costs (continued)

The above compensation includes amounts paid to the Principal and Chief Executive who is the Accounting Officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Basic salary	<b>126</b>	<i>115</i>
Pension contributions	<b>29</b>	<i>19</i>
	<b>155</b>	<i>134</i>

The Governing Body adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principals.

The remuneration package of Key Management staff, including the Co-Principals, is subject to annual review by the Remuneration Committee of the Governing Body who use benchmarking information to provide objective guidance.

The members of the Governing Body other than the Accounting Officer and the staff Governors (as noted in Note 24) did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

Relationship of Principal pay and remuneration expressed as a multiple

	<b>2020</b>	<i>2019</i>
Principal's basic salary as a multiple of the median of all staff	<b>3.76</b>	<i>3.27</i>
Principal's total remuneration as a multiple of the median of all staff	<b>4.21</b>	<i>3.98</i>

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**8. Staff costs (continued)**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
<b>Compensation for loss of office paid to former Key Management Personnel</b>		
Compensation paid to the former post-holder	<b>30</b>	-
Estimated value of other benefits, including provisions for pension benefits	-	-
	<u><b>30</b></u>	<u>-</u>

The severance payment was approved by the College's Remuneration Committee and paid in the 2020/21 financial year.

The termination payment in respect of compensation for loss of office was paid to one member of Key Management Personnel staff.

The members of the College other than the Accounting Officer and the staff member did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**9. Interest and other finance costs**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Interest income on pension scheme assets	<b>230</b>	<i>276</i>
Interest on pension scheme liabilities	<b>(295)</b>	<i>(327)</i>
	<u><b>(65)</b></u>	<u><i>(51)</i></u>

**10. Other operating expenses**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Teaching costs	<b>516</b>	<i>534</i>
Non-teaching costs	<b>2,966</b>	<i>2,919</i>
Premises costs	<b>972</b>	<i>1,166</i>
	<u><b>4,454</b></u>	<u><i>4,619</i></u>

**11. Net income/(expenditure)**

Net income/(expenditure) is stated after charging:

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Depreciation of tangible fixed assets: - owned by the College	<b>1,562</b>	<i>1,546</i>
Auditor's remuneration - Audit of the financial statements	<b>14</b>	<i>14</i>
Auditor's remuneration - Preparation of financial statements	<b>2</b>	<i>2</i>
Auditor's remuneration - Internal audit	<b>10</b>	<i>10</i>
Auditor's remuneration - Teachers' Pension Scheme audit	<b>1</b>	<i>1</i>
	<u><b>1,589</b></u>	<u><i>1,573</i></u>

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**CHRIST THE KING SIXTH FORM COLLEGE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**12. Tangible fixed assets**

	Leasehold land and buildings £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Assets under construction £000	Total £000
<b>Cost or valuation</b>						
At 1 August 2019	22,227	23	775	583	-	23,608
Additions	113	-	7	752	355	1,227
At 31 July 2020	<u>22,340</u>	<u>23</u>	<u>782</u>	<u>1,335</u>	<u>355</u>	<u>24,835</u>
<b>Depreciation</b>						
At 1 August 2019	10,737	23	732	564	-	12,056
Charge for the year	1,438	-	32	92	-	1,562
At 31 July 2020	<u>12,175</u>	<u>23</u>	<u>764</u>	<u>656</u>	<u>-</u>	<u>13,618</u>
<b>Net book value</b>						
At 31 July 2020	<u>10,165</u>	<u>-</u>	<u>18</u>	<u>679</u>	<u>355</u>	<u>11,217</u>
At 31 July 2019	<u>11,490</u>	<u>-</u>	<u>43</u>	<u>19</u>	<u>-</u>	<u>11,552</u>

**13. Stocks**

	2020 £000	2019 £000
Stock	<u>23</u>	<u>23</u>

**14. Trade and other receivables**

	2020 £000	2019 £000
<b>Due within one year</b>		
Other debtors	95	166
Prepayments and accrued income	112	150
	<u>207</u>	<u>316</u>

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

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15. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	603	434
Other taxation and social security	180	203
Payments received in advance	167	50
Accruals and deferred income	1,583	1,358
	<u>2,533</u>	<u>2,045</u>

	2020 £000	2019 £000
<b>Deferred revenue income</b>		
Deferred revenue income at 1 August	81	98
Resources deferred during the year	106	-
Amounts released from previous periods	(81)	(17)
<b>Deferred revenue income at 31 July</b>	<u>106</u>	<u>81</u>

**Analysis of Deferred capital income**

	2020 £000	2019 £000
Deferred income < 1 year	808	808
Deferred income > 1 year	8,187	9,093
	<u>8,995</u>	<u>9,901</u>

**Deferred capital income**

	2020 £000	2019 £000
Deferred capital income at 1 August	9,901	10,807
Amounts released from previous years	(906)	(906)
<b>Deferred capital income at 31 July</b>	<u>8,995</u>	<u>9,901</u>

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CHRIST THE KING SIXTH FORM COLLEGE

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

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16. Creditors: Amounts falling due after more than one year

	2020 £000	2019 £000
Deferred capital income	8,187	9,093

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £000	2019 £000
Net (expenditure)/income for the period (as per Statement of Comprehensive Income)	(434)	158
<b>Adjustments for:</b>		
Depreciation charges	12 1,562	1,546
Investment income	7 (79)	(89)
Decrease/(increase) in trade and other receivables	14 109	(87)
Increase/(decrease) in creditors	15 488	(77)
Pension costs less contributions payable	22 417	332
Pension finance cost	22 65	51
Deferred capital grants released to income	4 (906)	(906)
<b>Net cash provided by operating activities</b>	<b>1,222</b>	<b>928</b>

18. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	10,873	10,799
<b>Total cash and cash equivalents</b>	<b>10,873</b>	<b>10,799</b>



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

19. Analysis of changes in net debt

	At 1 August 2019 £000	Cash flows £000	At 31 July 2020 £000
Cash at bank and in hand	10,799	74	10,873
	<u>10,799</u>	<u>74</u>	<u>10,873</u>

As at 31 July 2019 and 2020 there was no outstanding debt.

20. Capital commitments

	2020 £000	2019 £000
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	1,398	-
	<u>1,398</u>	<u>-</u>

21. Defined benefit obligations

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) (London Borough of Lewisham Pension Fund) for non-teaching staff. Both are multi-employer defined-benefit plans.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was as at 31 March 2016 and of the LGPS 31 March 2016.

	2020 £000	2019 £000
<b>Total pension cost for the year</b>		
Local Government Pension Scheme:		
Contributions paid	465	449
FRS 102 (28) charge	417	332
	<u>882</u>	<u>781</u>
Charge to the Statement of Comprehensive Income	882	781
Teachers Pension Scheme: contributions	967	718
	<u>967</u>	<u>718</u>
Total pension cost for the year within staff costs	<u>1,849</u>	<u>1,499</u>

No contributions (2019 - £NIL) were payable to the Scheme at the year-end.

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

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**21. Defined benefit obligations (continued)**

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The College is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the College has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The College has set out above the information available on the plan and the implications for the College in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (the Department in April 2019). The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/9). The DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The pension costs paid to TPS in the year amounted to £967k (2019 - £718k).

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## CHRIST THE KING SIXTH FORM COLLEGE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 22. Local government pension scheme

The College operates a defined benefit pension scheme.

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Lewisham Local Authority. The total contribution made for the year ended 31 July 2020 was £604k (2019 - £580k), of which employer's contributions totalled £465k (2019 - £449k) and employees' contributions totalled £139k (2019 - £131k). The agreed contribution rates for future years are 22.0% for employers and range from 5.5% to 12.5% cent for employees, depending on salary according to a national scale.

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 July 2020 by Hymans Robertson LLP.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>At 31 July 2020</b>	<i>At 31 July 2019</i>
	%	%
Discount rate	<b>1.40</b>	2.10
Future salary increases	<b>2.80</b>	3.10
Future pension increases	<b>2.10</b>	2.40

	<b>At 31 July 2020</b>	<i>At 31 July 2019</i>
	Years	Years
<b>Mortality rates (in years)</b>		
Males - Retiring Today	<b>21</b>	21
Females - Retiring Today	<b>24</b>	24
Males - Retiring in 20 Years	<b>22</b>	22
Females - Retiring in 20 Years	<b>25</b>	25

The College's share of the assets in the scheme was:

	<b>At 31 July 2020</b>	<i>At 31 July 2019</i>
	£000	£000
Equities	<b>7,578</b>	7,242
Bonds	<b>2,871</b>	2,594
Property	<b>804</b>	757
Cash	<b>229</b>	216
<b>Total fair value of assets</b>	<b>11,482</b>	10,809

The actual return on scheme assets was £471,000 (2019 - £832,000).

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

22. Local government pension scheme (continued)

The costs recognised in the Statement of Comprehensive Income are as follows:

	2020 £000	2019 £000
<b>Amounts included in staff costs</b>		
Current service cost	882	683
Past service cost	-	98
Net interest cost	65	51
<b>Amount recognised in Comprehensive Income</b>	<u>947</u>	<u>832</u>
<b>Amounts recognised in Other Comprehensive Income</b>		
Return on pension plan assets	(234)	(484)
Experience losses arising on defined benefit obligations	(938)	-
Changes in assumptions underlying the present value of plan liabilities	1,603	1,312
<b>Amount recognised in Other Comprehensive Income</b>	<u>431</u>	<u>828</u>

Movements in the present value of the defined benefit obligation were as follows:

	2020 £000	2019 £000
Opening defined benefit obligation	13,694	11,353
Interest cost	295	327
Actuarial losses	665	1,312
Benefits paid	(395)	(210)
Employee contributions	139	131
Current service cost	882	683
Past service cost	-	98
<b>Closing defined benefit obligation</b>	<u>15,280</u>	<u>13,694</u>

Movements in the fair value of the College's share of scheme assets were as follows:

	2020 £000	2019 £000
Opening fair value of scheme assets	10,809	9,679
Interest income	230	276
Actuarial gains	234	484
Employer contributions	465	449
Benefits paid	(395)	(210)
Employee contributions	139	131
<b>Closing fair value of scheme assets</b>	<u>11,482</u>	<u>10,809</u>

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

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**23. Operating lease commitments**

At 31 July 2020 the College had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b> <b>£000</b>	<i>2019</i> <i>£000</i>
Not later than 1 year	<b>30</b>	30
Later than 1 year and not later than 5 years	<b>89</b>	118
	<u><b>119</b></u>	<u>148</u>

The following lease payments have been recognised as an expense in the Statement of Comprehensive Income:

	<b>2020</b> <b>£000</b>	<i>2019</i> <i>£000</i>
Operating lease rentals	<b>30</b>	28

**24. Related party transactions**

Due to the nature of the College's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

Transactions with the Education Skills Funding Agency are detailed in Note 4.

The total expenses paid to or on behalf of the Governors during the year was £NIL (2019 - £NIL).

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CHRIST THE KING SIXTH FORM COLLEGE

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

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25. Amounts disbursed as agent - Learner support funds

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Balance brought forward	<b>70</b>	-
Funding body grants - 16-18 bursary awards	-	448
Disbursed to students	<b>(70)</b>	<i>(356)</i>
Administration costs	-	<i>(22)</i>
<b>Balance unspent as at 31 July, included in creditors</b>	<b>-</b>	<i>70</i>

Funding body grants are available solely for students. In some instances, the College only acts as a paying agent. In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.