

Regent's College

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 August 2006

TUESDAY



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COMPANIES HOUSE

Regent's College

LEGAL AND ADMINISTRATIVE INFORMATION

The company's directors are its trustees and its members for the purposes of charity law and throughout this report are collectively referred to as the trustees and members respectively

TRUSTEES

E de la Croix

B Cooney (Resigned 31st May 2006)

E Peacock (Appointed 1st September 2005, Resigned 30th May 2006)

S Campbell (Appointed 1st September 2005)

J Ormerod (Appointed 1st September 2005)

R Pradhan (Appointed 1st September 2005)

B Sterndale-Bennett (Appointed 1st September 2005)

I Brown (Appointed 1st September 2005, Resigned 16th February 2006)

R King (Appointed 1st September 2005)

C McConnell (Appointed 20th September 2006)

G Meggitt (Appointed 20th September 2006)

B Schuler (Appointed 21st February 2007)

T Wilson (Appointed 21st February 2007)

S Zubaida (Appointed 21st February 2007)

The members of the Board of Trustees are elected by a simple majority of the trustees themselves. There are also provisions in the Memorandum and Articles of Association for the removal of trustees. The Trustees hold office until the end of the next meeting of the Board following the third anniversary of their appointment and, if they so wish, offer themselves for re-election for a further three-year term. No Trustee shall serve for more than two three-year terms.

CHIEF EXECUTIVE

Professor Aldwyn Cooper (Appointed 1 December 2006)

SECRETARY

Elizabeth John (Appointed 23 November 2006)

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Inner Circle
Regent's Park
London
NW1 4NS

AUDITOR

Grant Thornton UK LLP
Registered Auditor
Chartered Accountants
Churchill House
Chalvey Road East
Slough
Berkshire
SL1 2LS

Regent's College

LEGAL AND ADMINISTRATIVE INFORMATION

SOLICITORS

Bircham Dyson Bell
50 Broadway
London
SW1H 0BL

BANKERS

Barclays Bank plc
London Corporate Banking Group
P O Box 544
54 Lombard Street
London
EC3V 9EX

INVESTMENT MANAGERS

Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

RCM (UK) Ltd
P O Box 191
10 Fenchurch Street
London
EC3M 3LB

INSURANCE BROKERS

Towergate Limited
Thames Bridge House
Henley Bridge
Henley on Thames
RG9 2LN

Regent's College

TRUSTEES' REPORT

The trustees are pleased to present their report for the year ended 31 August 2006. This report is prepared in accordance with the recommendations of the Statement of Recommended Practice – Accounting and Reporting by Charities (2005), and complies with applicable law.

CHARITABLE OBJECTS

Regent's College is a Charity and the objects of the Charity, as set out in the Memorandum and Articles of Association, are the advancement of education for the public benefit and the foundation, maintenance and support of an educational college or colleges for students, both male and female, to include residential accommodation and all necessary and proper ancillary services for such establishments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Regent's College is a company limited by guarantee not having a share capital and having charitable status and was founded in 1984. Regent's College is a Registered Charity, registered in the public Register of Charities. It is governed by its Memorandum and Articles of Association. New trustees are recruited by advertising in the national press and through appropriate recruitment agencies. A formal training and induction process has been instituted.

The Board of Trustees has complete responsibility for the stewardship of the Charity's assets, ensuring adherence to its charitable objectives and strategic decision making but delegates day-to-day operational responsibilities to the Chief Executive and senior management team.

During the year, the European Business School Educational Trust Limited donated its net assets and its activities to Regent's College. Until 31 August 2006, all the members of the Board of Trustees of Regent's College were also members of the Board of Trustees of the European Business School Educational Trust Limited (also a Registered Charity) which shared the campus with Regent's College.

Regent's College has arrangements with various educational institutions that accredit its educational awards. These are detailed later in this report.

Three Committees of the Board of Trustees carry out certain tasks within specific terms of reference as follows:

- Audit Committee
- Finance and General Purposes Committee
- Human Resources Committee

AIMS

Regent's College ("the College") aspires to be an academic institution of excellence recognised both nationally and internationally as a centre for learning where individuals can develop their capabilities in an environment that promotes academic distinction.

It is committed to providing a value-added educational experience for its students that will enable them to achieve their potential and have the knowledge, skills and other attributes that will equip them for employment and for life-long learning.

It aims to be self-critical and innovative in its learning, teaching, research, consultancy and other activities, providing services and education at all higher education levels in a variety of study modes and for a variety of academic, vocational and professional needs.

It is committed to diversity, entrepreneurship, equality of opportunity, ensuring a healthy and safe environment, valuing all students and staff and assisting in their personal improvement, and encouraging the highest professional standards.

Regent's College

TRUSTEES' REPORT

OBJECTIVES

The main objectives of the Trustees for the year were to support the College's key strategies linked to a five-year Strategic Plan which is in the process of being developed

The key specific objectives included

- The building and development of a strong Trustee Board,
- The continuing process of embedding good governance throughout the College,
- Playing a leading role in the College's continuing development,
- The full integration of all the schools within the Regent's College unified structure in line with its status as an educational charity and to undertake and support various charitable activities in pursuit of this objective

STRATEGIES

The strengthening of the Board of Trustees by a programme of trustee recruitment

Ensuring one consistent set of values, governance rules and support services for each of the schools through Regent's College as the unifying entity,

The commencement of a review of how a cross-campus scholarship system, research, international and national programmes, consultancy and professional practice can be rationalised

The establishment and delivery of a plan for the organisational, academic and spatial integration of schools within the College

The encouragement and facilitating of opportunities for the College's faculty, students, and staff to engage in course-related charitable experiences and other endeavours of a charitable nature that also helps the off-campus local and wider community Various charitable activities are organised as part of the aim to make students aware of the needs of others

ACHIEVEMENTS AND PERFORMANCE

The Board of Trustees has made significant progress towards achieving the objectives listed above

By March 2007, the Board of Trustees was enhanced by the appointment of a further five independent Trustees working to a comprehensive set of governance documents The Board is now working to improve governance throughout the organisation

Through the operation of the committees listed above, the Board of Trustees is actively involved in the development of the College following the organizational changes alluded to elsewhere in the report

We are pleased to confirm that the full integration of the schools within the Regent's College unified structure is well developed, although not complete, and we anticipate that the objective of full integration will be complete by August 2007 In furtherance of its charitable objectives, the College supported a range of charities and other educational establishments, and awarded hardship grants to students in need

Regent's College benchmarks its achievements against the activities of other international colleges and compares favourably with them in terms of student recruitment, retention and satisfaction In addition, it is successful in collaborating widely with other international institutions including universities, business organisations and industry to develop clear and mutually supportive relationships

FUTURE

The Trustees will play a significant role in the development and approval of a five-year Strategic Plan to provide a roadmap for growth, structured to link closely with, and support, the drive and planning for degree awarding powers Within the areas of Governance and Academic Management, Academic Standards and Quality Assurance, Scholarship and the Pedagogical Effectiveness of Academic Staff and the Environment supporting the delivery of taught higher education programmes, the plan will identify opportunities for future development and set guidelines for using space more efficiently and effectively within the existing campus facilities and will identify the resources required to achieve planned objectives and the key risks

Regent's College

TRUSTEES' REPORT

The Trustees will continue to set the academic direction including the full implementation of a range of programmes to meet the needs of students and employers and to develop enhanced collaborative relationships with other partners

The Trustees have approved in principle a re-organisation of the College's academic structure into two faculties, 'Business and Management' and 'Humanities, Arts and Social Science' This will strengthen the academic management of the College and will enhance academic staff development

Regent's College will continue to carry out its charitable educational purposes Furthermore the Trustees recognise the obligations of the College as a charity to contribute to public benefit and are developing an approach to public benefit which will engage all aspects of the College's activities, as a core component of the College's planning process

ORGANISATION AND REVIEW OF ACTIVITIES AND DETAILED ACHIEVEMENTS

The College operates under the names of the following five colleges and schools, all of which are housed on campus

British American College London –

This college provides courses of study leading to Bachelor of Arts and Bachelor of Science degrees, accredited by Webster University of St Louis, Missouri, USA The academic programmes are grounded in the Liberal Arts and Science tradition developed in the USA, focusing on intellectual and cultural depth

Additionally the College hosts a study abroad programme for American undergraduates from universities and colleges affiliated to the British American College London

Webster Graduate School -

This school provides courses of study leading to Master of Arts and Master of Business Administration Degrees, accredited by Webster University of St Louis, Missouri, USA

European Business School London –

The school provides courses of study leading to Bachelor of Arts degrees, Bachelor of Science degrees and Masters programmes validated by the Open University The academic programmes focus on intellectual and cultural depth with international perspectives and there is a special interest in learning languages Students attend from around the world Additionally, the School receives exchange students from overseas partner institutions

On 1st January 2006 the net assets of European Business School Educational Trust Limited, which operated from the same site as the College, were donated to the College as part of an agreement to combine the two undertakings

Regents Business School London –

The school provides courses of study leading to Bachelor of Arts degrees and Bachelor of Science degrees validated by the Open University The academic programmes emphasize intellectual and cultural learning with students attending from around the world

The School became an integral part of Regent's College on 1st July 2006 by transfer to the College of the activities, staff, assets and liabilities of Regents Business School London Limited, following the acquisition of the entire share capital of the group of which it was a member, on 6 March 2006

Regent's College School of Psychotherapy & Counselling –

The School has an international reputation as one of the UK's leading therapeutic training institutions, delivering professional training and academic education in psychotherapy, counselling and counselling psychology, from foundation level to doctorate Over the past six years, the School has expanded its activities into the area of alternative dispute resolution training, with particular success in programmes provided for members of the legal profession, and Management Coaching A Consultation Centre, operated by the School, provides low cost psychotherapy and counselling to students and staff on campus and to members of the public The School became an integral part of Regent's College on 1st July 2006, following the transfer to the College of the activities, staff, assets and liabilities of Regent's College School of Psychotherapy and

Regent's College

TRUSTEES' REPORT

Counselling Limited, a wholly-owned subsidiary company of Regent's College

The College pursues a policy of growth in student numbers and revenue to enable continuing investment in academic programmes and facilities development to provide the students with a secure and high quality learning environment

Following the transfers of the activities, staff, assets and liabilities described above, the College carries on all the activities described above and has one trading subsidiary Regent's College Conference Centre Limited. Regent's College Conference Centre lets rooms on a day to day basis to a range of educational, charitable and commercial organisations. It also provides catering facilities to its clients. The business has grown steadily over the past few years and the staff seeks ways to continue to improve the services provided.

FINANCIAL RESULTS

The group net movement in funds for the year, which was arrived at after accounting for an unrealised gain on investments of £226,223 (2005 £162,760), came to a surplus of £5,929,831 (2005 £1,220,062) which was transferred to reserves. As at 31 August 2006 the reserves amounted to £12,264,182 (2005 £6,334,351). Scholarships of £148,489 (2005 £78,442) were awarded to students based on academic merit and financial need.

The financial results of the Regent's College group include provision in respect of certain assessments for VAT raised as part of a review into the College's VAT returns. This review was initiated by HM Revenue & Customs during 2005. The College has provided for elements of assessments where the Trustees have received advice that the College's arguments for resisting the assessments may not prevail. The financial statements do not provide for the remaining elements where the Trustees believe the College has a strong likelihood of success in resisting the assessments raised. The Trustees are confident that the College has sufficient financial strength to ensure that its going concern status will not be threatened by the impact of VAT assessments raised, in the event that HM Revenue and Customs argument prevails.

KEY PERFORMANCE INDICATORS

The financial performance of the group is closely monitored on a monthly basis by the Director of Finance and Chief Executive with both revenues and costs being compared against the Board-approved budget for the year. The monthly management accounts are presented at each Board meeting together with a commentary on activity, revenue and expense variances.

RESERVES

It is the aim of the Trustees to manage the financial resources of the Charity to permit the College to operate as a going concern, bearing in mind the commercial risks of normal activities, and it is their intention to maintain reserves at a level in line with the overall aims set out below.

The Trustees of the Charity recognise that they have a responsibility to minimise the risk to which the activities of the College could be exposed. They actively review the major risks which the Charity faces on a regular basis and believe that the maintenance of reserves, combined with the annual review of risk and the controls over key financial systems will provide sufficient resources in the event of adverse conditions.

In determining the reserves strategy of the College, the Trustees have regard to the development and annual revision of the strategic plan and for the production of the annual operating statement which sets out the specific targets and actions against objectives. Therefore, the College reviews its high level reserves policy alongside the implications for the revenue targets it sets for coming years. The factors the College takes into consideration include:

- The volatility of income levels within the College,
- The ability to reduce expenditure to match changes in income,
- The cost of change required to bring recurrent expenditure in line with income,

Regent's College

TRUSTEES' REPORT

- The impact of catastrophic events or lesser but damaging events causing the College's operations to be impacted adversely,
- The need to regenerate and modernise the asset base of the College,
- The ability to respond to new projects to allow them to be undertaken at short notice

The College is involved in and protected by risk mitigation against these issues materialising by

- Recognising the need to match variable income with fixed commitments,
- Forecasting processes - avoiding unexpected changes in income and planning mechanisms for taking corrective action,
- Insurance,
- Embedding Risk Management within the College

The Charity also requires reserves for the following reasons

- The College's income is virtually entirely derived from its revenues from academic programmes. The College has adopted a funding model which places the emphasis on income generation from volume of activity where the dominant component of income is programme fees, with only a minor contribution from investment income. Market fluctuations could impact significantly on the number of students attending the College courses
- The College has substantial ongoing commitments relating to the welfare and education of the students and needs to maintain a level of reserves sufficient to continue to meet these commitments
- The College requires reserves to fund its ongoing intention to increasing and further developing research and consultancy activities
- The College's other expenditure is both spasmodic and often substantial on major capital schemes. It can vary considerably from year to year. A substantial level of reserves is required both to meet known likely expenditure up to two or three years' forward and unforeseen expenditure. Currently larger than usual reserves are held to enable significant contributions to be made towards the planned redevelopment of College and towards the major equipment required to maintain and develop first class facilities for students

The Finance and General Purposes Committee reviews the level of the reserves on a quarterly basis to ensure that the College can meet its likely commitments and the Trustees review the Reserves Policy on an annual basis. The Finance & General Purposes Committee has reviewed the Reserves Policy of the Charity and considers it to be appropriate and realistic for the present time. The Trustees have endorsed this.

To meet their aims and to reduce their reliance on reserves, the Trustees actively seek opportunities for income generation.

All the reserves of the Charity are unrestricted funds. At 31 August 2006 they amounted to £11,705,568 (2005 £5,818,396) but only £6,576,866 (2005 £3,123,786) of this is freely available because the balance is invested in fixed assets.

INVESTMENT POLICY AND RESULTS

The Trustees' investment powers are governed by the Memorandum and Articles of Association. The Trustees have appointed joint fund managers to invest funds in a range of Common Investment Funds (CIF's) with the aim of maximising capital growth with minimum risk. The majority of the investments are linked to the stock market and as the investments were made at the height of the market, initially the values declined significantly. The investments generated a gain in value in the financial year being reported. The Trustees consider that the performance of its investment funds during the year was in line with other funds with a similar risk profile.

The performance of the funds is monitored on a regular basis. As at 31 August 2006 the value of the investments amounted to £3,845,180 (2005 £1,138,228) compared to an original investment of £3 million.

Regent's College

TRUSTEES' REPORT

RISK MANAGEMENT

The Trustees have identified the major risks to which the charity is exposed and have reviewed and established policies to mitigate those risks. These include the development of a business continuity plan, a detailed security review and the implementation of its recommendations, a Health and Safety policy, adherence to the provisions of the Disability Discrimination Act and ongoing compliance with all statutory and regulatory requirements. A policy is in place to improve the general control environment and a risk appraisal and monitoring methodology has been implemented.

The marketing policies aim to ensure that students are recruited from all parts of the world in order to maintain the charity's reputation as a truly international institution and reduce exposure to recruitment from a small geographical area.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's main financial instruments are cash and quoted investments. In addition items such as trade debtors and trade creditors arise directly from its operations. The main purpose of these financial instruments is to manage the finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks, which are described in more detail below.

The main risks arising from the group's financial instruments are market risk, liquidity risk and credit risk. The Trustees review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

MARKET RISK

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and price risk. The group is not significantly exposed to fair value interest rate risk.

CURRENCY RISK

The group is exposed to some translation and transaction foreign exchange risk. However the Trustees do not consider this risk to be material to the group's operations, and accordingly there are no hedging provisions in place.

PRICE RISK

The group's exposure to price risk consists mainly of movements in the value of the group's investments in quoted shares. The group employs investment managers who work within guidelines set out by the Board. These guidelines include limits on the total investment in any one particular equity instrument, and in any one sector of the market. The aim is to try to manage price risk, as far as possible. The Trustees keep under review these guidelines and regularly review the performance of the investments and the performance of the investment managers against the guidelines set by the Trustees.

The Trustees also consider the pricing structure of the group's tuition fees relative to its competitors as a price risk. These are regularly reviewed, and key management decisions with respect to pricing are discussed with the Trustees.

LIQUIDITY RISK

The reserves policy in the Trustees' Report describes the group's policy with regards to liquidity.

CREDIT RISK

The group's principal financial assets are quoted investments, cash and trade debtors. The credit risk associated with the investments and cash is limited as the counterparties are established financial institutions. The principal credit risk arises therefore from its trade debtors. The nature of the group's client base is such that it is not significantly exposed to large customers. The Trustees therefore concentrate efforts on ensuring that the processes around the giving of credit are sufficiently robust.

Regent's College

TRUSTEES' REPORT

TRUSTEES' RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 1985, the Charities Act 1993, the Charity (Accounts and Reports) Regulations and the provisions of the Memorandum and Articles of Association. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

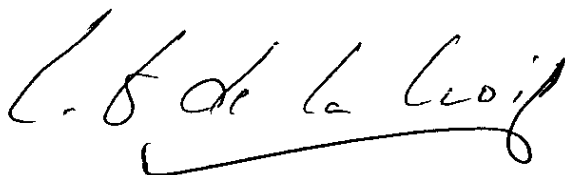
In so far as the Trustees are aware

- there is no relevant audit information of which the charity's auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR

A resolution to reappoint Grant Thornton UK LLP as auditor will be put to the members at the annual general meeting

This report was approved by the Board of Trustees on 16 May, 2007



Trustee
16 May, 2007

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF REGENT'S COLLEGE

We have audited the group and parent charitable company financial statements (the "financial statements") of Regent's College for the year ended 31 August 2006 which comprise the group statement of financial activities (including the group summary income and expenditure account), the group and charitable company balance sheets, the group cash flow statement, the principal accounting policies, and notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

The responsibilities of the Trustees (who are also the directors of Regent's College for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF REGENT'S COLLEGE

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent charitable company's affairs as at 31 August 2006 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements for the year ended 31 August 2006.



GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
LONDON THAMES VALLEY OFFICE
SLOUGH
BERKSHIRE
SL1 2LS

4 June 2007

Regent's College

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 August 2006

	Notes	2006	2005
		£	£
INCOMING RESOURCES			
Incoming resources from generating funds			
Activities for generating funds – Trading subsidiaries	1	4,848,975	4,410,866
– Other	3	1,149,496	2,172,958
Investment income	4	446,123	105,870
Incoming resources from charitable activities - Other	2	10,634,795	7,156,352
- Gift	21	8,448,309	-
TOTAL INCOMING RESOURCES		25,527,698	13,846,046
RESOURCES EXPENDED			
Costs of generating funds			
Direct costs of generating funds – Trading subsidiaries	1	2,272,191	1,362,619
– Other	5	5,311,272	4,511,971
Investment management costs		1,500	1,500
Charitable activities	6	11,795,567	6,623,977
Governance costs	7	438,754	289,353
TOTAL RESOURCES EXPENDED		19,819,284	12,789,420
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES	9	5,708,414	1,056,626
OTHER RECOGNISED GAINS AND LOSSES			
Gains on revaluations and disposal of investment assets		233,190	163,436
NET MOVEMENT IN FUNDS		5,941,604	1,220,062
RECONCILIATION OF FUNDS			
Total funds brought forward at 1 September 2005		6,334,351	5,114,289
Total funds carried forward at 31 August 2006		12,275,955	6,334,351

All the above results are derived from continuing activities

All funds are unrestricted funds

The surplus for the year for Companies Act purposes comprises the net incoming resources for the year plus realised gain on investments and was £5,715,381 (2005 £1,057,302)

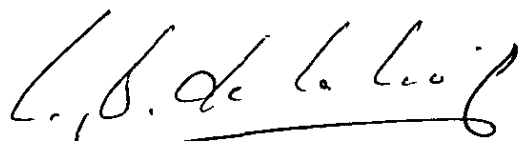
Regent's College

BALANCE SHEET

31 August 2006

	Notes	2006 £	Group 2005 £	2006 £	Charity 2005 £
FIXED ASSETS					
Intangible assets	10	1,059,927	-	150,683	-
Tangible assets	11	5,164,924	2,835,455	4,978,019	2,694,610
Investments	12	3,845,180	1,138,228	3,845,299	1,138,336
		<u>10,070,031</u>	<u>3,973,683</u>	<u>8,974,001</u>	<u>3,832,946</u>
CURRENT ASSETS					
Debtors	13	7,365,573	3,348,598	8,201,890	3,694,560
Cash at bank and in hand		11,920,471	2,893,372	10,018,381	1,680,278
		<u>19,286,044</u>	<u>6,241,970</u>	<u>18,220,271</u>	<u>5,374,838</u>
CREDITORS Amounts falling due within one year	14	(17,080,120)	(3,881,302)	(15,488,704)	(3,389,388)
NET CURRENT ASSETS		<u>2,205,924</u>	<u>2,360,668</u>	<u>2,731,567</u>	<u>1,985,450</u>
NET ASSETS		<u>12,275,955</u>	<u>6,334,351</u>	<u>11,705,568</u>	<u>5,818,396</u>
UNRESTRICTED FUNDS					
General funds	16	<u>12,275,955</u>	<u>6,334,351</u>	<u>11,705,568</u>	<u>5,818,396</u>

Approved by the Board on 16 May, 2007 and signed on its behalf by


Trustee

Trustee

Regent's College
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 August 2006

	2006 £	2006 £	2005 £	2005 £
Reconciliation of net incoming/(outgoing) resources to net cash inflow from operating activities				
Net incoming resources	5,708,414		1,056,626	
Donation of net assets	(8,448,309)		-	
Bank and other interest received	(410,760)		(88,910)	
Dividends received	(35,363)		(16,960)	
Depreciation	1,033,484		755,616	
Amortisation	200,405			
Loss on disposal of fixed assets	-		7,396	
Decrease/(increase) in debtors	492,671		(1,269,981)	
Increase in creditors	4,005,967		1,393,226	
Net cash inflow from operating activities		2,546,509		1,837,013
Returns on investments and servicing of finance				
Bank and other interest received	410,760		88,910	
Dividends received	35,363		16,960	
		446,123		105,870
Capital expenditure and financial investment				
Purchase of CMS group	(1)		-	
Payments to acquire tangible fixed assets	(2,844,648)		(819,268)	
Fixed asset investments acquired	(228,536)		(28,858)	
Proceeds from sale of fixed asset investments	185,406		9,001	
Cash acquired on purchase of CMS group	2,220,780		-	
		(666,999)		(839,125)
Cash donation received in the year		6 701,466		-
INCREASE IN CASH IN THE YEAR		9,027,099		1,103,758

Regent's College
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 August 2006

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2006 £
Increase in cash in the year	9,027,099
Net funds at 31 August 2005	2,893,372
Net funds at 31 August 2006	<u>11,920,471</u>

ANALYSIS OF NET FUNDS	At 1 September 2005 £	Cash flow £	At 31 August 2006 £
Cash in hand and at bank	2,893,372	9,027,099	<u>11,920,471</u>

The accompanying accounting policies and notes form an integral part of these financial statements

Regent's College

PRINCIPAL ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, except that listed fixed asset investments are carried at market value, and in accordance with applicable United Kingdom accounting standards. They have also been prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) that was issued in March 2005.

The group financial statements consolidate the financial statements of Regent's College and all its subsidiaries made up to 31 August 2006. No separate Statement of Financial Activities has been presented for Regent's College alone as permitted by section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

The principal accounting policies of the charitable company have remained unchanged from the previous year and are set out below.

INTANGIBLE FIXED ASSETS AND AMORTISATION

Intangible fixed assets represent goodwill that arose on acquisition of College Management Services Limited and subsidiary companies and the goodwill transferred from European Business School Educational Trust Limited resulting from its acquisition of the business of European Business School (UK) Limited. Amortisation has been provided to write off the assets over an anticipated useful life of 15 years.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing more than £500 are capitalised and are stated at historic cost. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows -

Short leasehold improvements	-	over the period of the lease
Plant and machinery	-	20% - 33% per annum
Computer equipment	-	33% per annum
Fixtures and Fittings	-	20% - 33% per annum
Motor vehicles	-	25% per annum

FIXED ASSET INVESTMENTS

Fixed asset investments, other than investments in subsidiary undertakings, are stated at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

PENSIONS

The company contributes a defined amount to specified Personal Policies taken out by eligible employees. Contributions are charged as incurred.

FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

VALUE ADDED TAX

Due to the nature of the College's outputs, value added tax on its inputs is not fully recoverable. Irrecoverable value added tax has been capitalised when it relates to items of a capital nature and charged to the Statement of Financial Activities when it is of a revenue nature.

Regent's College

PRINCIPAL ACCOUNTING POLICIES

OPERATING LEASES

Rental costs in respect of operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term

INCOMING RESOURCES

Income from commercial trading activities, and from charitable activities, is recognised at the point at which it is earned. Tuition fees, and other similar income, are recognised evenly over the period of the relevant course.

Investment income is recognised in the year in which it is earned.

Gifts are recognised at the point at which the group is unconditionally entitled to their receipt.

RESOURCES EXPENDED

Resources expended are accounted for on the accruals basis. Certain expenditure is apportioned in the Statement of Financial Activities to cost categories based on the estimated amount attributable to that activity in the year and in accordance with the requirements of SORP 2005. These estimates are based on staff time, space occupied or student numbers as appropriate.

Governance costs are primarily associated with constitutional and statutory requirements.

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

1 NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The charity has four wholly and directly owned trading subsidiaries and three dormant subsidiaries all of which are incorporated in the UK. Regent's College School of Psychotherapy and Counselling Limited was involved in the provision of higher education. Regent's College Conference Centre Limited is involved in the provision of conference facilities. Regent's College Graduate Studies Centre Limited and College Management Services Limited have ceased trading. Regent's College Pension Trustee Limited, Regent's College Business School Limited and European Business School (London) Limited are dormant.

On 30 June 2006, Regent's College became the direct parent of all seven companies in the College Management Services Group. Of these, Regents Business School London Limited, Regents International Study Centre London Limited, Webster Graduate Studies Centre London Limited and College Bookshop Limited ceased trading during the year. Study Abroad International Limited and News World Graduate School Limited are dormant.

Audited accounts of each company are being filed with the Registrar of Companies.

	College Management Services Limited Group of companies £	Regent's College School of Psychotherapy & Counselling Limited £	Regent's College Conference Centre Limited £	Total 2006 £	Total 2005 £
Turnover	1,064,929	1,193,036	2,591,010	4,848,975	4,410,866
Administration costs	(948,651)	(938,149)	(385,391)	(2,272,191)	(1,362,619)
Operating profit	<u>116,278</u>	<u>254,887</u>	<u>2,205,619</u>	<u>2,576,784</u>	<u>3,048,247</u>

Regent's College

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

2	CHARITABLE ACTIVITIES	2006 £	2005 £
	Car park	151,848	149,191
	Tuition and registration fees	7,957,806	2,857,454
	Trips and excursions	59,863	66,913
	Meals	752,910	725,476
	Residences and laundry	745,826	718,244
	EBSET Central service charges	681,380	1,593,495
	EBSET Rental income	369,083	1,107,264
	Exchange gain	64,568	16,757
	Bursaries, scholarships and discounts	(148,489)	(78,442)
		<u>10,634,795</u>	<u>7,156,352</u>

The incoming resources of the charity during the year were all derived in the same geographical area
97 scholarships were granted to individuals in the year ended 31 August 2006 (2005 58)

3	ACTIVITIES FOR GENERATING FUNDS – OTHER	2006 £	2005 £
	Rental income	609,989	1,491,624
	Central services	99,656	111,493
	Catering income	439,851	569,841
		<u>1,149,496</u>	<u>2,172,958</u>

4	INVESTMENT INCOME	2006 £	2005 £
	Bank interest receivable	403,051	86,015
	Other interest receivable	7,709	2,895
	Dividend income	35,363	16,960
		<u>446,123</u>	<u>105,870</u>

5	DIRECT COST OF GENERATING FUNDS – OTHER	2006 £	2005 £
	Premises costs	1,739,414	1,745,255
	Central services	512,180	837,652
	Cost of catering	1,366,023	1,452,945
	Management costs	428,141	(162,570)
	Non-recoverable VAT	1,083,655	638,689
	Goodwill amortisation	181,859	-
		<u>5,311,272</u>	<u>4,511,971</u>

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

6 COST OF CHARITABLE ACTIVITIES

	Direct costs	Support costs	2006 Total	2005 Total
	£	£	£	£
Car park	25,621	-	25,621	23,827
Tuition costs - teaching	3,743,019	-	3,743,019	897,425
Trips and excursions	67,985	-	67,985	72,327
Cost of meals	1,014,058	-	1,014,058	783,267
Telephone	38,744	4,647	43,391	25,428
Bad debt provisions	16,897	-	16,897	130,033
Non-recoverable VAT	362,810	2,242	365,052	145,694
Premises costs	2,764,377	39,168	2,803,545	2,318,014
Central services	2,464,697	-	2,464,697	2,021,600
Legal and professional	-	234,107	234,107	38,938
Management costs	-	1,017,195	1,017,195	167,424
	<u>10,498,208</u>	<u>1,297,359</u>	<u>11,795,567</u>	<u>6,623,977</u>

Support costs represent those costs attributable to the supporting functions of the College such as finance, human resources and information technology. Direct costs represent costs attributable to function of the College that generate income for the College.

7 GOVERNANCE COSTS

	2006 £	2005 £
Legal and professional	406,860	258,453
Audit and accountancy	31,894	30,900
	<u>438,754</u>	<u>289,353</u>

8 EMPLOYEES

	2006 No	2005 No
The average number of persons (excluding trustees) employed during the year was		
Management and administration	167	125
Academic	208	83
	<u>375</u>	<u>208</u>

Of the 375 employees noted above 77 employees belong to the recently acquired College Management Services Limited group.

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

8	EMPLOYEES <i>(Continued)</i>	2006	2005
		£	£
	Staff costs for the above persons		
	Wages and salaries	6,859,192	4,262,877
	Social security costs	677,748	400,804
	Other pension costs	480,269	299,341
		<u>8,017,209</u>	<u>4,963,022</u>

No remuneration was paid to trustees in the year

Six trustees were re-imbursed for travel and subsistence expenses for attending meetings during the year. The aggregate amount re-imbursed was £6,065 (2005 £4,126)

	2006	2005
	No	No
The number of employees with emoluments of £60,000 or more during the year for Regent's College and its subsidiaries was		
60,000 – 69,999	2	1
70,000 – 79,999	1	2
80,000 – 89,999	2	-
	<u>5</u>	<u>3</u>

Pension costs relating to 5 (2005 3) employees earning more than £60,000 during the year were £37,096 (2005 £12,351)

9	NET INCOMING RESOURCES	2006	2005
		£	£
	Net incoming resources is stated after charging		
	Operating lease rental – land and buildings	1,501,899	1,470,466
	Depreciation – owned assets	1,033,484	755,616
	Amortisation	200,405	-
	Exchange gains	(64,568)	(16,757)
	Auditors' remuneration - Audit services	71,500	37,898
	- Other services	88,036	23,222
	Gain on disposal of fixed asset investments	(-)	(676)

Regent's College

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

10	INTANGIBLE FIXED ASSETS	Goodwill £
	GROUP	
	Cost	
	1 September 2005	-
	Donation from related party	433,503
	Additions	1,091,103
	31 August 2006	1,524,606
	Amortisation	
	1 September 2005	-
	Donation from related party	264,274
	Charged in the year	200,405
	31 August 2006	464,679
	Net book value	
	31 August 2006	1,059,927
	31 August 2005	-
	CHARITY	Goodwill £
	Cost	
	1 September 2005	-
	Donation from related party	433,503
	31 August 2006	433,503
	Amortisation	
	1 September 2005	-
	Donation from related party	264,274
	Charged in the year	18,546
	31 August 2006	282,820
	Net book value	
	31 August 2006	150,683
	31 August 2005	-

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

11	TANGIBLE FIXED ASSETS	<i>Short leasehold improvements</i> £	<i>Computer equipment</i> £	<i>Plant and machinery</i> £	<i>Fixtures and fittings</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
	GROUP						
	Cost						
	1 September 2005	5,659,228	2,210,336	891,047	1,918,954	45,596	10,725,161
	Donation	98,589	562,089	-	756,535	-	1,417,213
	Acquired	-	271,496	-	183,934	-	455,430
	Additions	2,334,745	98,613	53,792	357,498	-	2,844,648
	Disposals	-	-	-	-	-	-
	31 August 2006	8,092,562	3,142,534	944,839	3,216,921	45,596	15,442,452
	Depreciation						
	1 September 2005	3,583,494	2,008,309	629,055	1,623,893	44,955	7,889,706
	Donation	73,206	454,640	-	557,989	-	1,085,835
	Acquired	-	140,134	-	128,369	-	268,503
	Charged in year	474,958	212,430	108,606	237,086	404	1,033,484
	Disposals	-	-	-	-	-	-
	31 August 2006	4,131,658	2,815,513	737,661	2,547,337	45,359	10,277,528
	Net book value						
	31 August 2006	3,960,904	327,021	207,178	669,584	237	5,164,924
	31 August 2005	2,075,734	202,027	261,992	295,061	641	2,835,455

Regent's College

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

11	TANGIBLE FIXED ASSETS (continued)	Short leasehold improvements £	Computer equipment £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
	CHARITY						
	Cost						
	1 September 2005	5,628,717	2,086,020	891,047	1,635,333	45,596	10,286,713
	Donation	98,589	562,089	-	756,535	-	1,417,213
	Transfers	30,511	338,644	-	260,059	-	629,214
	Additions	2,334,745	90,611	53,792	217,033	-	2,696,181
	31 August 2006	8,092,562	3,077,364	944,839	2,868,960	45,596	15,029,321
	Depreciation						
	1 September 2005	3,554,398	1,908,219	629,055	1,455,476	44,955	7,592,103
	Donation	73,206	454,640	-	557,989	-	1,085,835
	Transfers	29,929	220,702	-	187,654	-	438,285
	Charged in the year	474,125	179,397	108,606	172,547	404	935,079
	31 August 2006	4,131,658	2,762,958	737,661	2,373,666	45,359	10,051,302
	Net book value						
	31 August 2006	3,960,904	314,406	207,178	495,294	237	4,978,019
	31 August 2005	2,074,319	177,801	261,992	179,857	641	2,694,610

12	FIXED ASSET INVESTMENTS	2006 £	Group 2005 £	2006 £	Charity 2005 £
	Quoted investments and cash deposits	3,845,180	1,138,228	3,845,180	1,138,228
	Subsidiary undertakings	-	-	119	108
		3,845,180	1,138,228	3,845,299	1,138,336

GROUP AND CHARITY

	£
Quoted investments and cash deposits	
Market value at 1 September 2005	1,138,228
Less Disposals at opening book value (proceeds £185,406, profit £6,967)	(178,439)
Add Transfer from related party	2,430,632
Acquisitions at cost	228,536
Net gains on revaluation at 31 August 2006	226,223
Market value at 31 August 2006	3,845,180

Regent's College

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

12 FIXED ASSET INVESTMENTS (*continued*)

	Quoted investments £	Cash deposits £	Total £
Investment assets in the UK	2,993,794	318,240	3,312,034
Investment assets outside the UK	533,146	-	533,146
31 August 2006	<u>3,526,940</u>	<u>318,240</u>	<u>3,845,180</u>
Market value			
31 August 2006	<u>3,526,940</u>	<u>318,240</u>	<u>3,845,180</u>
31 August 2005	<u>1,046,113</u>	<u>92,115</u>	<u>1,138,228</u>
Historic cost of the above investments was			
31 August 2006	<u>3,111,086</u>	<u>318,240</u>	<u>3,429,326</u>
31 August 2005	<u>1,023,994</u>	<u>92,115</u>	<u>1,116,109</u>

Cash deposits represent funds realised from sale of shares pending reinvestment

Investments in individual entities held at 31 August 2006 which are over 5% of portfolio by value are

Chariguard Fixed Interest Fund	£ 194,019
Chariguard UK Equity Fund	£ 1,115,184
Chariguard Overseas Equity Fund	£ 472,819
Cazenove Investment Fund Management Income Trust For Charities	£ 356,236
Cazenove Investment Fund Management Equity Income Trust For Charities	£ 350,982
Cazenove Investment Fund Management Growth Trust For Charities	£ 685,472
Cazenove Investment Fund Management Absolute Return Trust For Charity	£ 291,901

All investments are held indirectly through common investment funds

CHARITY

	£
Subsidiary undertakings	
At cost at 1 September 2005	108
Acquired during the year	11
At cost at 31 August 2006	<u>119</u>

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

12 FIXED ASSET INVESTMENTS (*continued*)

The charity holds more than 20% of the equity of the following companies

Name of company	Class of holding	Proportion held	Nature of business
• Regent's College Pension Trustee Limited	100 ordinary £1 shares	100%	Dormant
• Regent's College Business School Limited	2 ordinary £1 shares	100%	Dormant
• Regent's College Conference Centre Limited	2 ordinary £1 shares	100%	Provision of conference facilities
• Regent's College Graduate Studies Centre Limited	2 ordinary £1 shares	100%	Dormant
• Regent's College School of Psychotherapy and Counselling Limited	2 ordinary £1 shares	100%	Ceased trading
• College Management Services Limited	100 ordinary £1 shares	100%	Ceased trading
• European Business School (London) Limited	10 ordinary £1 shares	100%	Dormant
• College Bookshop Limited	2 ordinary £1 shares	100%	Ceased trading
• Study Abroad International Limited	2 ordinary £1 shares	100%	Dormant
• Regent's Business School London Limited	Limited by guarantee	100%	Ceased trading
• News World Graduate School Limited	Limited by guarantee	100%	Dormant
• Regent's International Study Centre London Limited	Limited by guarantee	100%	Ceased trading
• Webster Graduate Studies Centre London Limited (company dissolved 6 February, 2007)	Limited by guarantee	100%	Ceased trading

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

13	DEBTORS	Group		Charity	
		2006	2005	2006	2005
		£	£	£	£
	Trade debtors	6,366,232	344,012	6,074,715	79,089
	Amounts due from group undertakings	-	-	1,208,367	720,307
	Corporation tax	1,484	-	-	-
	Other debtors	511,032	2,629,021	511,029	2,617,496
	Prepayments and accrued income	486,825	375,565	407,779	277,668
		<u>7,365,573</u>	<u>3,348,598</u>	<u>8,201,890</u>	<u>3,694,560</u>

14	CREDITORS Amounts falling due within one year	Group		Charity	
		2006	2005	2006	2005
		£	£	£	£
	Trade creditors	218,287	274,394	213,143	259,903
	Amounts due to group undertakings	-	-	8,029	1,310
	Other taxation and social security costs	1,729,226	231,147	184,207	160,169
	Other creditors	229,970	636,342	224,653	521,943
	Accruals and deferred income	14,902,637	2,739,419	14,858,672	2,446,063
		<u>17,080,120</u>	<u>3,881,302</u>	<u>15,488,704</u>	<u>3,389,388</u>

15 GUARANTEE

The charitable company is limited by guarantee. In the event of a winding up order, members are obliged to contribute such sums as are necessary to ensure that the company is able to settle its liabilities subject to a maximum contribution of £1 per member.

16	UNRESTRICTED FUNDS	General funds	
		2006	2005
		£	£
GROUP			
	Balance at 1 September 2005	6,334,351	5,114,289
	Net movement in funds for the year	5,941,604	1,220,062
	Balance at 31 August 2006	<u>12,275,955</u>	<u>6,334,351</u>
CHARITY			
	Balance at 1 September 2005	5,818,396	4,448,305
	Net movement in funds for the year	5,887,172	1,370,091
	Balance at 31 August 2006	<u>11,705,568</u>	<u>5,818,396</u>

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

17 COMMITMENTS AND CONTINGENT LIABILITIES

- i) At 31 August 2006 the group had annual commitments under non-cancellable operating leases as follows

	2006 £	2005 £
Land and buildings expiring after five years	1,544,813	1,471,250

Rockford College acts as guarantor for all liabilities arising from the lease for the land and buildings and has in return acquired a legal charge over certain of the assets of the College

- ii) The College is included in a group registration for VAT purposes and is therefore jointly and severally liable for all the VAT liabilities of other group companies
During the year, assessments for VAT were raised as part of a review initiated by HM Revenue & Customs, into the College's VAT status. The College has provided for elements of assessments where the trustees have received advice that the College's arguments resisting the assessments may not prevail. No provision has been made in these financial statements for the remaining elements amounting to approximately £6.5m where the Trustees believe the College has a strong likelihood of success in resisting the assessments raised.
- iii) Regent's College continues to support a number of its subsidiary undertakings, in order that they may continue to meet their liabilities as they fall due.

18 PENSIONS

The group contributes a defined amount to specified Personal Policies taken out by eligible employees. Contributions are charged as incurred. There were no outstanding contributions in relation to the group as at the balance sheet date (2005: £136). There were no outstanding contributions in relation to the charitable company as at the balance sheet date (2005: nil). Pension costs during the year were £480,269 (2005: £299,341).

19 RELATED PARTY TRANSACTIONS

The following related party transactions took place during the year

Party	Description of transaction	Value of Transaction £	Year end debtor/ (creditor) balance £
European Business School Educational Trust Limited	Rent and service charges	1,040,464	-
	Careers and placements	10,000	
	Transfer of net assets	8,448,309	

Until 31 August 2006, Regent's College and European Business School Educational Trust Limited had a common board of Trustees.

Regent's College

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2006

20 ACQUISITIONS

On 1 March 2006, Regent's College acquired the entire share capital of College Management Services Limited, the immediate parent company of the following,

College Bookshop Limited
Study Abroad International Limited
Regents Business School London Limited
News World Graduate School Limited
Regents International Study Centre London Limited
Webster Graduate Studies Centre London Limited

Total consideration for the acquisition of the group was £1

The subsidiary companies of College Management Services Limited when acquired were as follows

	Book and Fair Value of assets £
Tangible fixed assets	186,927
Debtors	901,788
Cash at bank	2,220,780
Creditors, deferred revenue and accruals	(4,388,810)
Provision for liabilities and charges	(11,773)
	<hr/> (1,091,088)
Goodwill	1,091,089
Cost of acquisition	<hr/> <hr/> 1

21 DONATION

On 31 December 2005, Regent's College received the entire net funds of European Business School Educational Trust Limited, a registered charity, as donation

European Business School Educational Trust Limited operated for the advancement of education for the public benefit and the foundation maintenance and support of educational colleges for students

The assets and liabilities of European Business School Educational Trust Limited when donated were as follows

	Book and Fair Value of assets £
Intangible fixed assets (net after amortisation)	169,239
Tangible fixed assets (net after depreciation)	331,378
Investments	2,430,632
Debtors	3,607,857
Cash at bank	6,701,466
Creditors, deferred revenue and accruals	(4,792,263)
	<hr/> 8,448,309 <hr/>