

# Regent's College

## REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 August 2002



# Regent's College

## LEGAL AND ADMINISTRATIVE INFORMATION

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

### TRUSTEES

J Dorgan

Y Makar

J Davies (Resigned 26<sup>th</sup> March 2003)

E de la Croix (Appointed 21<sup>st</sup> March 2002)

T Pey (Appointed 3<sup>rd</sup> February 2003) (Resigned 4<sup>th</sup> August 2003)

G Colleary (Appointed 3<sup>rd</sup> February 2003)

G Gula (Appointed 3<sup>rd</sup> February 2003)

The Board of trustees is a self appointed body. However there are provisions within the Memorandum and Articles for Governors to appoint or remove Trustees. One third of the Trustees retire by rotation each year and if they so wish offer themselves for re-election at the Annual General Meeting.

### PRESIDENT AND CHIEF EXECUTIVE

Mrs Gillian Payne

### REGISTERED OFFICE AND PRINCIPAL ADDRESS

Inner Circle  
Regent's Park  
London  
NW1 4NS

### AUDITORS

Baker Tilly  
2 Bloomsbury Street  
London  
WC1B 3ST

### SOLICITORS

Laytons  
Carmelite  
50 Victoria Embankment  
London  
EC4Y 2LS

### BANKERS

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

# Regent's College

## LEGAL AND ADMINISTRATIVE INFORMATION

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### INVESTMENT MANAGERS

Cazenove Fund Management Ltd  
12 Moorgate  
London  
EC2R 6DA

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

### INSURANCE BROKERS

Arbuthnot Insurance Brokers  
Thames Bridge House  
Henley Bridge  
Henley on Thames  
RG9 2LN

# Regent's College

## TRUSTEES' REPORT

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The Trustees are pleased to present their report for the year ended 31 August 2002. This report is prepared in accordance with the recommendations of the Statement of Recommended Practice – Accounting and Reporting by Charities issued in 2000 and complies with applicable law.

### STATUS AND ADMINISTRATION

Regent's College is a company limited by guarantee and a registered charity that was founded in 1984. It is governed by its Memorandum and Articles of Association.

### CHARITABLE OBJECTS

The objects of the charity are the advancement of education in England for the public benefit by all.

### REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The College operates under the name of British American College London which provides courses of study leading to Bachelor of Arts and Bachelor of Science degrees. The degrees are accredited by Webster University St Louis Missouri. The academic programmes are grounded in the Liberal Arts and Science tradition developed in the USA, focusing on intellectual and cultural depth. Students from around the world attend the College. Additionally the College hosts a study abroad programme for American undergraduates from universities and colleges affiliated to the British American College London.

The events of 11 September 2001 had no effect on student numbers for the autumn 2001 term as it had already commenced. The staff gave tremendous support to the American students during the aftermath of the crisis.

The College also generates income from its student's accommodation, catering facilities and the letting of space by maximising the utilisation of these facilities.

The College has two trading subsidiaries: Regent's College Conference Centre Ltd and Regent's College School of Psychotherapy & Counselling Ltd.

The Conference Centre lets rooms on a day to day basis to a range of educational, charitable and commercial organizations. It also provides catering facilities to its clients. The business has grown steadily over the past few years and continual efforts are made by the staff to maintain this and at the same time raise the standards. The arrival of a new contract caterer at the College in September 2001 has helped in this respect.

The School of Psychotherapy 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. Despite its academic reputation the School has incurred losses during the past few years. Stringent efforts are being made by the Directors and staff to turn round the financial position of the School but it operates in a very competitive market place. Regent's College has continued to support the School and this is monitored on a regular basis.

### FINANCIAL RESULTS

The group net movement in funds for the year, which were arrived at after accounting for an unrealised loss on its investments of £125,815, came to £464,129 which was transferred to reserves. As at 31 August 2002 the reserves amounted to £5,316,107. Scholarships of £17,475 were awarded to students based on academic merit and financial need.

# Regent's College

## TRUSTEES' REPORT

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### RESERVES

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') the charity holds should be 18 months of total resources expended, which equates to £15,800,000. This level of free reserves is required to ensure that sufficient funds are available for teach out costs in the event of changes to course arrangements or a large variation in future income.

All the reserves of the College are unrestricted funds. At 31 August 2002 they amounted to £5,010,162 but only £2,430,263 of this is freely available because the balance is invested in fixed assets.

Our policy is therefore, to continue building up reserves to that level by means of annual operating surpluses, judicious management of our investment assets and by monitoring progress and reviewing this policy on a regular basis.

### 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 the values have declined significantly over the last three years.

The performance of the funds is monitored on a regular basis. As at 31 August 2002 the value of the investments amounted to £847,203 compared to an original investment of £1 million.

### 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 and a full review of the financial controls currently in place at the Charity. The marketing policies 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 reliance on recruitment from a small geographical area.

### TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The trustees are required 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 the incoming resources and application of resources, including the net income or expenditure, of the group for the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;  
and
- d. 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 which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

# Regent's College

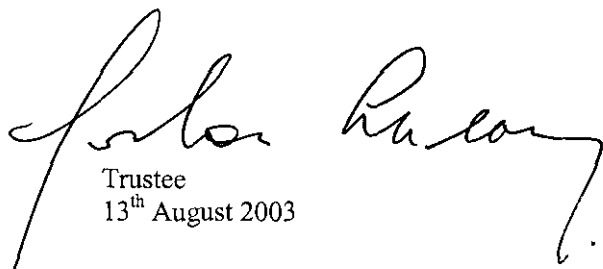
## TRUSTEES' REPORT

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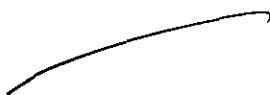
### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

This report was approved by the Board of Trustees on 13<sup>th</sup> August 2003.



Trustee  
13<sup>th</sup> August 2003



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REGENT'S COLLEGE

We have audited the financial statements on pages 7 to 19.

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 our opinions we have formed.

### **Respective responsibilities of trustees and auditors**

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 applicable law and United Kingdom Accounting Standards are set out in the trustees' report on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the charity 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 transactions with the charity is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the legal and administrative information and the trustees' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards 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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the group's and the charitable company's affairs at 31 August 2002 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Registered Auditors  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

13th August 2003

# Regent's College

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 August 2002

	Notes	2002 £	2001 (Restated) £
<b>INCOMING RESOURCES</b>			
Incoming resources from operating activities of the charity			
Activities in furtherance of the charity's objects	2	5,935,338	5,494,398
Activities for generating funds – Trading subsidiaries	1	3,758,228	3,375,475
– Other	3	2,450,788	2,255,793
Investment income	4	123,481	141,497
<b>TOTAL INCOMING RESOURCES</b>		<b>12,267,835</b>	<b>11,267,163</b>
<b>RESOURCES EXPENDED</b>			
Cost of generating funds – Trading subsidiaries	1	(1,254,926)	(1,260,873)
– Other	5	(4,270,496)	(3,864,879)
<b>Net incoming resources available for charitable application</b>		<b>6,742,413</b>	<b>6,141,411</b>
<b>Charitable expenditure</b>			
Costs of activities in furtherance of charity's objects	6	5,387,200	4,661,763
Support costs	7	717,019	726,083
Management and administration of the charity	8	43,881	31,843
<b>Total charitable expenditure</b>		<b>6,148,100</b>	<b>5,419,689</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>11,673,522</b>	<b>10,545,441</b>
<b>NET INCOMING RESOURCES</b>	10	<b>594,313</b>	<b>721,722</b>
Gains and losses on revaluations and disposals of investment assets		(130,184)	(167,284)
<b>NET MOVEMENT IN FUNDS</b>		<b>464,129</b>	<b>554,438</b>
Total funds brought forward at 1 September 2001		4,851,978	4,297,540
Total funds carried forward at 31 August 2002		<u>5,316,107</u>	<u>4,851,978</u>

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities. All the above results are derived from continuing activities.

All funds are unrestricted funds.

The surplus for the year for the Companies Act purposes comprises the net incoming resources for the year plus realised gains on investments and was £589,944 (2001: £717,575).



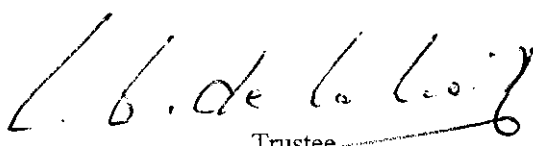
# Regent's College

## BALANCE SHEET

31 August 2002

	Notes	2002 £	Group 2001 £	2002 £	Charity 2001 £
<b>FIXED ASSETS</b>					
Tangible assets	11	2,626,309	2,793,667	2,579,899	2,755,060
Investments	12	847,203	956,238	847,311	956,346
		<u>3,473,512</u>	<u>3,749,905</u>	<u>3,427,210</u>	<u>3,711,406</u>
<b>CURRENT ASSETS</b>					
Debtors	13	1,888,781	1,130,982	2,258,348	2,144,914
Cash at bank and in hand		2,635,853	2,405,865	1,859,866	1,811,824
		<u>4,524,634</u>	<u>3,536,847</u>	<u>4,118,214</u>	<u>3,956,738</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>(2,682,039)</u>	<u>(2,434,774)</u>	<u>(2,535,262)</u>	<u>(2,690,365)</u>
<b>NET CURRENT ASSETS</b>		<u>1,842,595</u>	<u>1,102,073</u>	<u>1,582,952</u>	<u>1,266,373</u>
<b>NET ASSETS</b>		<u>5,316,107</u>	<u>4,851,978</u>	<u>5,010,162</u>	<u>4,977,779</u>
<b>UNRESTRICTED FUNDS</b>					
General funds	16	<u>5,316,107</u>	<u>4,851,978</u>	<u>5,010,162</u>	<u>4,977,779</u>

Approved by the Board on 13<sup>th</sup> August 2003

  
Trustee

  
Trustee

# Regent's College

## GROUP CASH FLOW STATEMENT

for the year ended 31 August 2002

	2002 £	2002 £	2001 £	2001 £
<b>Reconciliation of net incoming resources to net cash inflow from operating activities</b>				
Net incoming resources	594,313		721,722	
Bank and other interest received	(104,551)		(122,886)	
Dividends received	(18,930)		(18,611)	
Depreciation	685,287		664,279	
Loss on disposal of fixed asset	557		-	
Increase in debtors	(757,799)		(256,887)	
Increase in creditors	247,265		237,434	
<b>Net cash inflow from operating activities</b>		646,142		1,225,051
<b>Returns on investments and servicing of finance</b>				
Bank and other interest received	104,551		122,886	
Dividends received	18,930		18,611	
		123,481		141,497
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible fixed assets	(519,344)		(591,914)	
Proceeds from sale of tangible fixed assets	858		-	
Fixed asset investments acquired	(100,664)		(63,139)	
Proceeds from sale of fixed asset investments	79,515		41,714	
		(539,635)		(613,339)
<b>INCREASE IN THE YEAR</b>		229,988		753,209

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2002 £
Increase in cash in the year	229,988
Net funds at 31 August 2001	2,405,865
Net funds at 31 August 2002	2,635,853

ANALYSIS OF NET FUNDS	At 1 September 2001 £	Cash flow 2002 £	At 31 August 2002 £
Cash in hand and at bank	2,405,865	229,988	2,635,853

# Regent's College

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed asset investments, and in accordance with applicable 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) that was published in October 2000. This is the first year that the financial statements have been required in a format consistent with the latest SORP and the presentation of the comparative figures has therefore been adjusted where appropriate.

The group financial statements consolidate the financial statements of Regent's College and all its subsidiaries made up to 31 August 2002. 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 304 of the SORP.

### TANGIBLE FIXED ASSETS

Tangible fixed assets costing more than £500 are capitalised and are stated at historical 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 to the accounts 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 are not fully recoverable. Irrecoverable value added tax has been capitalised where it relates to items of a capital nature and charged to the Statement of Financial Activities when it is of a revenue nature.

### 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.

### FEES RECEIVABLE

Fees receivable are accounted for in the period in which the service is provided.

# Regent's College

## ACCOUNTING POLICIES

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### INVESTMENT AND RENTAL INCOME

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable. Rental income is accounted for on the accruals basis.

### RESOURCES EXPENDED

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. These estimates are based on staff time, space occupied or student numbers as appropriate.

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2002

### 1 NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The charity has three wholly owned trading subsidiaries which are incorporated in the UK. Regent's College School of Psychotherapy and Counselling Limited is involved in the provision of higher education. Regent's College Conference Centre is involved in the provision of conference facilities. Webster Graduate Studies Centre Limited has ceased trading. A summary of their trading results after adjustment for intra-group trading is shown below. Audited accounts of each company have been filed with the Registrar of Companies.

	Regent's College School of Psychotherapy & Counselling Limited £	Webster Graduate Studies Centre Limited £	Regent's College Conference Centre Limited £	Total 2002 £	Total 2001 £
Turnover	1,348,065	-	2,410,163	3,758,228	3,375,475
Administration costs	(787,163)	(1,809)	(465,954)	(1,254,926)	(1,260,873)
Operating profit/(loss)	560,902	(1,809)	1,944,209	2,503,302	2,114,602
Interest receivable	5,411	421	33,203	39,035	35,740
Taxation	-	-	-	-	-
Net profit for the year	566,313	(1,388)	1,977,412	2,542,337	2,150,342
Amounts covenanted to Regent's College	-	-	(300,000)	(300,000)	(1,000,000)
Intra Group trading eliminated above	(403,373)	-	(1,473,857)	(1,877,230)	(1,697,739)
Dealt with by subsidiaries	162,940	(1,388)	203,555	365,107	(547,397)

### 2 ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	2002 £	2001 (Restated) £
Tuition and registration fees	2,162,547	2,013,036
Meals	806,924	735,017
Residences and Laundry	743,131	666,717
Car Park	113,583	88,683
Trips and excursions	62,544	63,365
Central services to other educational bodies	906,518	880,944
Rental income	1,091,264	867,693
Exchange gain	66,302	190,723
Bursaries, scholarships and discounts	(17,475)	(11,780)
	5,935,338	5,494,398

The incoming resources of the charity during the year were all made in the same geographical area.  
10 scholarships were granted to individuals in the year ended 31 August 2002 ( 2001 : 8 )

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2002

3	ACTIVITIES FOR GENERATING FUNDS – OTHER	2002	2001 (Restated)
		£	£
	Rental income	1,401,839	1,252,697
	Central services	713,313	663,527
	Catering income	335,636	339,569
		<u>2,450,788</u>	<u>2,255,793</u>
4	INVESTMENT INCOME	2002	2001
		£	£
	Bank interest receivable	102,689	119,678
	Other interest receivable	1,862	3,208
	Dividend income	18,930	18,611
		<u>123,481</u>	<u>141,497</u>
5	COST OF GENERATING FUNDS – OTHER	2002	2001 (Restated)
		£	£
	Premises costs	1,653,032	1,282,657
	Central services	676,212	552,422
	Cost of meals	1,013,787	999,694
	Management costs	822,275	949,467
	Non-recoverable VAT	105,190	80,639
		<u>4,270,496</u>	<u>3,864,879</u>
6	COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITY'S OBJECTS	2002	2001 (Restated)
		£	£
	Car park	16,297	15,749
	Teaching staff costs	566,130	545,606
	Academic costs	144,073	135,615
	Cost of meals	798,933	712,986
	Telephone	23,002	22,544
	Development	56,797	39,258
	Bad debts	34,802	13,578
	Non-recoverable VAT	210,792	161,593
	Premises costs	2,188,412	1,650,734
	Central services	1,347,962	1,364,100
		<u>5,387,200</u>	<u>4,661,763</u>

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2002

7	SUPPORT COSTS	2002 £	2001 (Restated) £
	Legal and professional	58,491	46,957
	Premises costs	24,865	22,296
	Management costs	633,663	656,830
		<u>717,019</u>	<u>726,083</u>
8	MANAGEMENT AND ADMINISTRATION OF THE CHARITY	2002 £	2001 (Restated) £
	Legal and professional	24,901	14,973
	Audit and accountancy	18,980	16,870
		<u>43,881</u>	<u>31,843</u>
9	EMPLOYEES	2002 No.	2001 No.
	The average monthly number of persons (excluding trustees) during the year was:		
	Management and administration	111	104
	Academic	66	72
		<u>177</u>	<u>176</u>
		2002 £	2001 £
	Staff costs for the above persons:		
	Wages and salaries	3,280,441	3,049,653
	Social security costs	289,449	270,759
	Other pension costs	300,007	194,579
		<u>3,869,897</u>	<u>3,514,991</u>

No remuneration was paid to trustees in the year.

Four trustees were re-imbursed for travel and subsistence expenses for attending meetings during the year. The aggregate amount re-imbursed was £5,335.

	2002 No.	2001 No.
The number of employees with emoluments of £50,000 or more during the year for Regent's College and its subsidiaries were :		
50,000 – 59,999	2	2
90,000 – 99,999	1	1
100,000 – 110,000	1	-
	<u>4</u>	<u>3</u>

Pension costs relating to employees earning more than £50,000 during the year were £12,074 (2001: £11,900).

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2002

### 10 NET INCOMING RESOURCES

	2002 £	2001 £
Net incoming resources is stated after charging:		
Operating lease rental – other	1,471,250	953,000
Depreciation – owned assets	685,287	664,279
Exchange gains	(66,302)	(190,723)
Auditors' remuneration - Audit services	24,146	21,622
- Other services	38,545	30,185

### 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> £
<b>GROUP</b>						
Cost						
1 September 2001	4,384,543	1,497,641	508,339	1,410,551	43,980	7,845,054
Additions	300,042	125,154	41,604	52,544	-	519,344
Disposals	-	-	-	(1,962)	-	(1,962)
31 August 2002	4,684,585	1,622,795	549,943	1,461,133	43,980	8,362,436
Depreciation						
1 September 2001	2,165,097	1,248,179	417,806	1,194,857	25,448	5,051,387
Charged in year	352,230	194,497	57,696	70,117	10,747	685,287
Disposals	-	-	-	(547)	-	(547)
31 August 2002	2,517,327	1,442,676	475,502	1,264,427	36,195	5,736,127
Net book value						
31 August 2002	2,167,258	180,119	74,441	196,706	7,785	2,626,309
31 August 2001	2,219,446	249,462	90,533	215,694	18,532	2,793,667
<b>CHARITY</b>						
Cost						
1 September 2001	4,359,032	1,419,191	508,339	1,327,272	43,980	7,657,814
Additions	295,042	125,154	41,604	27,649	-	489,449
31 August 2002	4,654,074	1,544,345	549,943	1,354,921	43,980	8,147,263
Depreciation						
1 September 2001	2,142,085	1,178,566	417,806	1,138,849	25,448	4,902,754
Charged in year	351,556	188,062	57,696	56,549	10,747	664,610
31 August 2002	2,493,641	1,366,628	475,502	1,195,398	36,195	5,567,364
Net book value						
31 August 2002	2,160,433	177,717	74,441	159,523	7,785	2,579,899
31 August 2001	2,216,947	240,625	90,533	188,423	18,532	2,755,060



# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2002

### 12 FIXED ASSET INVESTMENTS

	2002 £	Group 2001 £	2002 £	Charity 2001 £
Quoted investments and cash deposits	847,203	956,238	847,203	956,238
Subsidiary undertakings	-	-	108	108
	<u>847,203</u>	<u>956,238</u>	<u>847,311</u>	<u>956,346</u>

#### GROUP AND CHARITY

	£
Quoted investments and cash deposits:	
Market value at 1 September 2001	956,238
Less: Disposals at opening book value (proceeds £79,515 ; loss £4,369)	(83,884)
Add: Acquisitions at cost	100,664
Net losses on revaluation 31 August 2002	(125,815)
Market value at 31 August 2002	<u>847,203</u>

	Quoted investments £	Cash deposits £	Total £
Investment assets in the UK	688,718	63,886	752,604
Investment assets outside the UK	94,599	-	94,599
31 August 2002	<u>783,317</u>	<u>63,886</u>	<u>847,203</u>
Market value:			
31 August 2002	<u>783,317</u>	<u>63,886</u>	<u>847,203</u>
31 August 2001	<u>904,863</u>	<u>51,375</u>	<u>956,238</u>
Historical cost of the above investments was:			
31 August 2002	<u>1,007,598</u>	<u>63,886</u>	<u>1,071,484</u>
31 August 2001	<u>1,003,325</u>	<u>51,375</u>	<u>1,054,700</u>

Cash deposits represent funds realised from sale of shares pending reinvestment.

Investments in individual entities held at 31 August 2002 which are over 5% of portfolio by value are:

Chariguard Fixed Interest Fund	£ 49,154
Chariguard UK Equity	£ 248,078
Chariguard Overseas Equity	£ 84,262
Cazenove Investment Fund Management Income Trust For Charities	£ 218,186
Cazenove Investment Fund Management Growth Trust For Charities	£ 173,301

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 August 2002

## CHARITY

At cost at 1 September 2001 and 31 August 2002

f.

108

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
Webster Graduate Studies Centre Limited	2 ordinary £1 shares	100%	Ceased trading
Regent's College School of Psychotherapy and Counselling Limited	2 ordinary £1 shares	100%	Provision of educational services

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# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2002

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### 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  
£

#### GROUP

Balance at 1 September 2001	4,851,978
Net movement in funds for the year	464,129

Balance at 31 August 2002	5,316,107
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#### CHARITY

Balance at 1 September 2001	4,977,779
Net movement in funds for the year	32,383

Balance at 31 August 2002	5,010,162
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### 17 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2002 the group had annual commitments under non-cancellable operating leases as follows:

	2002 £	2001 £
Land and buildings expiring after five years	1,471,250	953,000

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

### 18 PENSIONS

The group contributes a defined amount to specified Personal Policies taken out by eligible employees. Contributions are charged to the accounts as incurred. There were outstanding contributions amounting to £135,106 as at the balance sheet date. Pension costs during the year were £300,007 (2001: £194,579).

### 19 LOAN TO TRADING SUBSIDIARY

An interest free loan of £822,525 has been made by the charity to Regent's College School of Psychotherapy and Counselling Limited, secured on its assets and is repayable on demand.

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2002

### 20 RELATED PARTY TRANSACTIONS

The following related party transactions took place during the year:

<i>Party</i>	<i>Relation- ship</i>	<i>Description of transaction</i>	<i>Value of Transaction</i>	<i>Year end debtor/ (creditor) balance</i>
			£	£
European Business School Educational Trust Limited	(ii)	Rent and service charges	2,009,322	274,310
College Management Services Limited	(i)	Rent and service charges	1,023,760	430,208
Regents Business School London Limited	(i)	Rent and service charges	227,086	33,122
College Bookshop Limited	(i)	Rent and service charges	(441)	-
Webster Graduate Studies Centre London Limited	(i)	Rent and service charges	50,599	2,286
Regents International Studies Centre London Limited	(i)	Rent and service charges	51,000	20,240
Mergeprime Limited	(i)	Management charge	604,353	(104,353)
Mrs K van Miert	(iii)	Ex-gratia payment on leaving the company	12,500	(12,500)

#### Relationship

- i) Mrs G Payne is the ultimate controlling party and is also a director of each company. The management charge consists of a fixed annual fee that increases in line with the retail price index and a variable fee based upon any operating surplus that occurs.
- ii) Mrs GM Payne is involved in the management of European Business School Educational Trust Limited, a registered charity.
- iii) Mrs K van Miert is a close family member of Mrs GM Payne.