

Company Registration Number: 4241702
Charity Number: 1092000

Cansdales
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MOORLANDS COLLEGE LIMITED

CONSOLIDATED FINANCIAL
STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2003



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MOORLANDS COLLEGE LIMITED
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for the year ended 30 June 2003

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MOORLANDS COLLEGE LIMITED

The Trustees:

Dr C Daymon (Chair)
Mr D E Barnett (Resigned 4 March 2003)
Rev R Amess
Mr S Arkell
Mr K Brown
Rev D Craig
Mr M Frisby
Mr P Lindsay (Vice-Chair from 4 March 2003)
Mr A Robertson (Resigned 4 March 2003)
Mr J Salway
Mr D Sinclair (Treasurer)
Dr P Short
Rev A Vaswani (Appointed 4 March 2003)

Company Secretary

Mr M G Coulson

Address:

Moorlands College
Sopley
Christchurch
Dorset
BH23 7AT

Registered Charity Number:

1092000

Company Number:

4241702

Auditors:

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Bankers:

Bank of Scotland plc
144/148 High Street
Southampton
Hampshire
SO14 2JF

Pension Advisors:

Reeves Brady Financial Planning Consultancy
3 Parkstone Road
Poole
Dorset
BH15 2NN

MOORLANDS COLLEGE LIMITED

REPORT OF THE TRUSTEES for the year ended 30 June 2003

The Trustees have pleasure in presenting their report and the consolidated financial statements for the year ended 30 June 2003.

Charitable Objects

In accordance with the Memorandum and Articles of Association, by which Moorlands College Limited (hereafter referred to as "the College") is governed and constituted, the object of the College is to maintain, advance, and promote the Christian religion and, in particular, to conduct a College or Colleges for the study and teaching of the Bible and the training of Christian workers in accordance with the Statement of Faith set out below and with the following particular emphases:-

1. To cultivate the Christian life and experience of its students.
2. To inculcate in them a basic knowledge of the Bible and its teachings, and of related subjects.
3. To provide training and develop skills in the techniques of modern communications.
4. To stimulate its students to evangelise the world, with special reference to Europe.
5. To emphasise the importance of establishing local churches and assemblies, in accordance with the teaching of Holy Scripture.

Statement of Faith

1. We believe the Bible to be the inspired and infallible Word of God, and the final authority in all matters of faith and practice.
2. We believe there is one God, eternally existent in three persons, Father, Son and Holy Spirit.
3. We believe in the full deity and true humanity of our Lord Jesus Christ, in His virgin birth, in His sinless life, in His miracles, in His vicarious and atoning death for sinners through His blood shed on the cross, in His bodily resurrection, in His ascension to the right hand of the Father and in His personal return in power and glory.
4. We believe that for the salvation of lost and sinful people, regeneration by the Holy Spirit is absolutely essential.
5. We believe in the present ministry of the Holy Spirit by whose indwelling the Christian is enabled to live a godly life.
6. We believe in the resurrection of both the righteous and the unrighteous, the righteous to the resurrection of life and the unrighteous to the resurrection of damnation.
7. We believe in the spiritual unity of all believers in Christ.

Mission Statement

The Trustees' vision for Moorlands College for the next five to ten years is as the following Mission Statement:-

Moorlands College provides a challenging learning environment where men and women, passionate about Jesus Christ, may be nurtured and equipped to impact both church and world. It aims for the highest standards in:-

- delivering courses that are biblically-based, academically rigorous and culturally relevant;
- grounding everything in practice to facilitate effective service in today's world;
- creating a supportive community which promotes spiritual, personal and relational maturity.

Review of Year's Activities

The principal activity of the College during the year has been to provide full time courses in biblical, theological and related studies alongside vocational training and personal development. This is in accordance with the Memorandum and Articles of Association.

There have been no material policy changes in the year.

Links with Other Colleges

Links with the University of Gloucestershire (previously Cheltenham and Gloucester College of Higher Education) have continued, both in order to maintain the validation requirement and also to facilitate staff development at Moorlands.

Trustees

The Trustees who have served during the year and since the year end are set out on page 1. In accordance with the Memorandum and Articles one third of the Trustees are required to retire each year, although they are eligible for reappointment.

MOORLANDS COLLEGE LIMITED

REPORT OF THE TRUSTEES for the year ended 30 June 2003

Capital Projects

A phased refurbishment /capital expenditure plan was continued, improving the standard of the facilities and IT provision for both staff and students.

Design work on a major phased building project (commenced in 2001, scheduled for completion in 2005) has continued during the year, with the contractor moving on-site to start construction of phase 1 in June 2002 (completed in October 2002). Construction work on each phase will only commence once sufficient funds are available. It should be noted that design costs incurred relating to future phases may need to be written off if construction does not take place due to lack of finance.

Financial Position

The company limited by guarantee, Moorlands College Limited was incorporated on 26 June 2001. With effect from 1 July 2002, the old charity Moorlands Bible College Trust (hereafter referred to as "MBCT") ceased to operate and all the assets, liabilities and functions of the MBCT were transferred to the College. These financial statements have been prepared as a going concern as the work of the College has continued uninterrupted in the new company. Comparative figures in these financial statements relate to MBCT and are for information only. The College had no transactions prior to 1 July 2002 and held no assets or liabilities at 30 June 2002

Total income for the year amounted to £1,020,200 (2002: £1,098,075(MBCT)). The surplus for the year on all funds and reserves was £51,222 (2002: £146,810(MBCT)). The average number of students was 130 equivalent full-time (2002: 135(MBCT)).

The balance sheet shows that the College has assets in excess of liabilities and the land and freehold property is shown at the sum of purchase and construction cost. In 1996/97 the Trustees obtained informal confirmation from a valuer that the market value was not significantly different to book value. The buildings were insured for £3,000,000 at the balance sheet date following the opening of phase 1 of the building project (Administration and Conference facilities) in October 2002.

Operating Name

Moorlands College Limited currently operates as Moorlands College. Charity Registration Number 1092000.

Organisational Structure

The College is governed by Directors, who are Trustees for the purposes of charity law and throughout this report are collectively referred to as Trustees and who form the Board, responsible for making strategic decisions. During the year, the following persons were Trustees of the College:-

Rev R Amess	Mr P Lindsay (Vice Chair from 4 March 2003)
Mr S Arkell	Mr A Robertson (Resigned 4 March 2003)
Mr D E Barnett (Resigned 4 March 2003)	Mr J Salway
Mr K Brown	Mr D Sinclair (Treasurer)
Rev D Craig	Dr P Short
Dr C Daymon (Chair)	Rev A Vaswani (Appointed 4 March 2003)
Mr M Frisby	

In addition, the following members of staff attended the Board meetings for the majority of items to be discussed:-

Dr S Brady (Principal)	Mr M P Inchley (Vice-Principal, Academic)
Mr C Bennett (Vice-Principal, Developments)	Miss S Reynolds (Secretary)
Mr M G Coulson (Bursar, Financial and Health and Safety items only)	

No remuneration was paid to the Trustees, although some expenses were paid in association with travel to meetings of the Board. The Trustees have power to appoint additional Trustees to a maximum of 15 in total and at no time should the number of Trustees be less than five.

Sub-Groups

Sub-Groups are appointed by the Trustees, comprised of representatives of the Trustee body and staff, with a duty to report to the Board of Trustees and take instruction from the Board in the following areas:-

Finance :-	Mr D Sinclair, Mr K Brown, Mr M G Coulson, Dr S Brady
Promotions :-	Dr C Daymon, Mr P Lindsay, Mr C Bennett, Mr S King (replacement to be appointed)
Projects :-	Mr A Robertson, Mr S Arkell, Dr S Brady, Mr M G Coulson, Mr B Rees
Strategy :-	Dr C Daymon, Rev D Craig, Mr M Frisby, Mr P Lindsay, Dr S Brady, Mr C Bennett, Mr S King

None of the Sub-Groups have separate executive powers, but are constituted as advisory committees.

MOORLANDS COLLEGE LIMITED
REPORT OF THE TRUSTEES (CONT)
for the year ended 30 June 2003

Advisors

Details of the College's auditors, bankers and pension advisors are disclosed on page 1.

Investment Policy

The Trustees' investment powers are governed by the Memorandum and Articles, which permit the College's funds to be invested in stock funds, shares, securities or other investments or property. Bank interest is the only investment income earned by the College.

Reserves Policy

Note 12 to the financial statements shows the assets and liabilities attributable to the various funds by type. Note 11 describes the various funds of the College and summarises the year's movements on each fund.

Unrestricted general funds amounted to £221,812 but only £181,540 of this is freely available because the balance is invested in fixed assets (£40,272).

The Board has determined that the appropriate level of free reserves that are not invested in tangible fixed assets should be equivalent to the average annual income from 20 students, approximately £113,200.

There is a capital commitment for 2003/04 of approximately £11,040 (note 13 to the financial statements), which will be financed from unrestricted general funds. This will therefore reduce the level of freely available unrestricted general funds to £170,500 (which is above the Board's target level of £113,200). The reserves are at present above the level determined by the Board and it is anticipated that the surplus may be used towards the cost of Phase II of the building project. Once the project is completed the policy will again be reviewed.

Risk management

The Trustees examine the major risks that the College faces each financial year when preparing and updating the strategic plan. The College has developed systems to monitor and control these risks to mitigate any impact that they may have on the College in the future.

Statement of Trustees' Responsibilities

Company law 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 College at the year end and of the surplus or deficit of the College for that period. In preparing those 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 and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume the College will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy the financial position of the College and which enable them to both ascertain the financial position of the College and which enable them to ensure that the financial statements comply with the Companies Act 1985, the Charities Act 1993, Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2000 and the Memorandum and Articles. They are also responsible for safeguarding the assets of the College and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued October 2000 and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Trustees on 17/3/04 and signed on its behalf by:


.....
Dr C Daymon (Chair)


.....
Mr D Sinclair (Treasurer)

MOORLANDS COLLEGE LIMITED
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MOORLANDS COLLEGE LIMITED
for the year ended 30 June 2003

We have audited the financial statements which consist of the consolidated Balance Sheet, the College Balance Sheet, the consolidated Statement of Financial Activities and the supporting notes numbered 1 to 16. These financial statements have been prepared under the historical cost convention and the accounting policies set out in note 1.

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 Auditors

The Trustees, who are directors for the purposes of company law and Trustees for the purposes of charity law, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities 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 Trustees' Report is not consistent with the financial statements, if 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 transactions with the company 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. Our responsibilities do not extend to any other information.

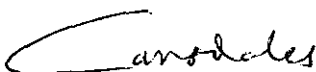
Basis of Opinion

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 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the group and the company's affairs as at 30 June 2003 and of the incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Cansdales
Chartered Accountants & Registered Auditor
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

24 March 2004

MOORLANDS COLLEGE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
for the year ended 30 June 2003

	Notes	Unrestricted Funds £	Restricted Funds £	Restricted Funds £	Designated Fund £	Total 2003 £	Total (MBCT) 2002 £
INCOMING RESOURCES							
General Donations and Gifts		17,971		-	-	17,971	26,669
Legacies	4	-		5,000	-	5,000	75,000
Gifts for the building fund		-		51,219	-	51,219	21,021
Gifts for the Bursary Fund		-		20,760	-	20,760	28,172
Activities in Furtherance of the College's Objects:							
Educational and Related Income		782,060		-	-	782,060	777,157
Nursery		3,046		-	-	3,046	56,199
Bookshop		11,363		-	-	11,363	8,756
Grants			21,765				
Add deferred from prior period			31,300				
Less Deferred to future periods			(3,000)				
Net Grant	5	-		50,065	-	50,065	26,927
Activities for Generating Funds:							
Lettings Income		51,330		-	-	51,330	52,015
Investment Income		14,833		-	-	14,833	23,095
Other Income		5,822		6,731	-	12,553	3,064
Total Incoming Resources		886,425		133,775	-	1,020,200	1,098,075
RESOURCES EXPENDED							
Cost of Generating Funds							
Fundraising and Publicity		83,164		-	-	83,164	78,848
Charitable Expenditure							
Costs of activities in furtherance of the College's objects:							
Teaching Costs		410,622		83,654	-	494,276	430,099
Accommodation and Welfare		5,298		-	-	5,298	74,245
Support Costs		307,505		28,259	-	335,764	320,367
Management and Administration		50,476		-	-	50,476	47,706
Total Resources Expended	6	857,065		111,913	-	968,978	951,265
Net Income / Outgoing Resources before Transfer		29,360		21,862	-	51,222	146,810
Transfer to Designated Funds	11	(254,054)		-	254,054	-	-
Transfer to College Mission Fund	11	(2,960)		2,960	-	-	-
Transfer to Course Development Fund	11	(1,504)		1,504	-	-	-
NET MOVEMENT IN FUNDS		(229,158)		26,326	254,054	51,222	146,810
Transfer from Moorlands Bible College Trust on 1 July 2002	16	450,970		1,110,806	294,000	1,855,776	1,708,966
Balances Carried Forward at 30 June 2003		£221,812		£1,137,132	£548,054	£1,906,998	£1,855,776

CONTINUING OPERATIONS

All of the Group's activities were acquired on 1 July 2002 from Moorlands Bible College Trust.

TOTAL RECOGNISED GAINS AND LOSSES

The Group has no recognised gains or losses other than the net movement in funds for the current and previous years.

Notes 1 to 16 form part of these financial statements


MOORLANDS COLLEGE LIMITED
CONSOLIDATED BALANCE SHEET
As at 30 June 2003

	Notes	2003 £	£	2002 (MBCT) £	£
FIXED ASSETS					
Tangible assets	8		1,594,845		1,363,948
CURRENT ASSETS					
Stocks		17,212		15,585	
Debtors	9	17,775		24,430	
Cash at bank and in hand		<u>333,271</u>		<u>557,024</u>	
		368,258		597,039	
CREDITORS: Amounts falling due within one year					
	10	<u>(56,105)</u>		<u>(105,211)</u>	
NET CURRENT ASSETS			312,153		491,828
NET ASSETS			<u><u>£1,906,998</u></u>		<u><u>£1,855,776</u></u>
RESERVES					
Unrestricted General Funds	11, 12		221,812		450,970
Restricted Funds	11, 12		1,137,132		1,110,806
Designated Funds	11, 12		548,054		294,000
			<u><u>£1,906,998</u></u>		<u><u>£1,855,776</u></u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These accounts were approved by the Trustees on17/3/04....., and are signed on their behalf by:


Dr C Daymon (Chair)


Mr D Sinclair (Treasurer)

Notes 1 to 16 form part of these financial statements

MOORLANDS COLLEGE LIMITED
COLLEGE BALANCE SHEET
As at 30 June 2003

	Notes	2003 £	£	2002 (MBCT) £	£
FIXED ASSETS					
Tangible assets	8		1,594,845		1,363,948
CURRENT ASSETS					
Stocks		17,212		15,585	
Debtors	9	17,775		27,574	
Cash at bank and in hand		<u>333,271</u>		<u>547,772</u>	
		368,258		590,931	
CREDITORS: Amounts falling due within one year	10	<u>(56,105)</u>		<u>(98,573)</u>	
NET CURRENT ASSETS			312,153		492,358
NET ASSETS			<u>£1,906,998</u>		<u>£1,856,306</u>
RESERVES					
Unrestricted General Funds	11, 12		221,812		451,500
Restricted Funds	11, 12		1,137,132		1,110,806
Designated Funds	11, 12		548,054		294,000
			<u>£1,906,998</u>		<u>£1,856,306</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These accounts were approved by the Trustees on 17/3/04, and are signed on their behalf by:


 Dr C Daymon (Chair)


 Mr D Sinclair (Treasurer)

Notes 1 to 16 form part of these financial statements

MOORLANDS COLLEGE LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2003

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared on the going concern basis.

No cash flow statement has been prepared as the Group qualifies as a small Group.

Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with the Charities Act 1993, the Companies Act 1985, and Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2000 ("SORP") and applicable accounting standards.

Basis of consolidation

The consolidated financial statements consolidate the results of the College and its subsidiary, Moorlands Holidays Limited, which are under common management and control. A separate Statement of Financial Activities is not prepared as the College has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985. The surplus in the financial statements of the College alone was £43,614.

Fund accounting

The College's reserves have been allocated to separate funds for future application.

Unrestricted general funds

These resources arise from the accumulated surpluses and deficits on general charitable activities.

Restricted funds

These funds are subject to specific conditions imposed by the donors.

Designated funds

These are funds earmarked by the trustees for a particular purpose.

Incoming resources

Income, with the exception of legacies and voluntary income, is recognised on an accruals basis.

Legacies and voluntary income are recognised when receivable and when capable of financial measurement and are included in the financial statements at a reasonable estimate of their value to the College.

Income from grants relates to the development of new courses and has been included as income from activities in furtherance of the College's objects. Such income has been deferred where the donor is contributing to specific staff costs (e.g. Elivate course director) over a period of time.

Resources expended

Resources expended are accounted for on an accruals basis, inclusive of irrecoverable VAT. Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories. Certain other costs and some staff costs are attributable to more than one activity. In these cases the costs have been apportioned to the individual activities on the basis of the time spent by staff on matters relating to those activities

Tax status

The College is a registered charity and therefore it is not assessable to corporation tax on any surplus charitable funds.

MOORLANDS COLLEGE LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2003

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the original cost of each asset to MBCT or the College over its estimated useful life:-

Freehold building and improvements	2% on cost
Fixtures, fittings and equipment	20% on cost
Motor vehicles, tractor and garden implements	25% on cost

Assets are capitalised if they cost £500 or more.

Stocks

Stock is valued at the lower of cost and net realisable value, after allowance for obsolete and slow moving items.

Pensions

The group operates a money purchase pension scheme for certain members of staff. The group also operates a stakeholder pension scheme for all members of staff. The assets of the schemes are held separately from those of the group in independently administered funds. Contributions payable to both funds for the year, where appropriate, are charged in the income and expenditure account.

Library

Additions to the library are written off in the year in which they are purchased.

Bursaries

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

2. NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging:

	2003 £	2002 (MBCT) £
Depreciation - owned assets	44,273	35,768
Auditors' remuneration	4,342	4,844
Other fees payable to the auditors	<u>4,004</u>	<u>961</u>

3. STAFF COSTS

	2003 £	2002 (MBCT) £
Wages and salaries	405,980	408,862
Social security costs	39,122	35,044
Other pension costs	30,858	33,549
	<u>£475,960</u>	<u>£477,455</u>

There were no prepaid or outstanding amounts at the balance sheet date in respect of pension costs.

No employee earned £50,000 per annum or more.

MOORLANDS COLLEGE LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2003

The average weekly number of employees during the year was as follows:

		2003		2002 (MBCT)	
		Actual	FT equivalent	Actual	FT equivalent
Academic:	FT	11	11	11	11
	PT	-	-	-	-
Support:	FT	6	6	6	6
	PT	12	7	12	7

	2003 £	2002 (MBCT) £
Trustees' travelling expenses reimbursed	131	329
Number of Trustees receiving expenses	3	3

No remuneration was paid to Trustees.

4. LEGACIES

	2003 £	2002 (MBCT) £
E E Butler	5,000	-
T Darvell	-	75,000
	<u>5,000</u>	<u>75,000</u>

At 30 June 2003 further income is anticipated by way of a legacy to the College from the estate of T Darvell. The outstanding bequest cannot be accurately estimated and so has not been included in the balance sheet in line with the College's accounting policy.

5. RESTRICTED GRANT INCOME

	2003 £	2002 (MBCT) £
Jerusalem Trust towards BA in Applied Theology Course	18,765	25,227
Grants Received for the Elivate Course:		
Oswald Chambers Publication Association Limited	-	15,000
Philadelphia Trust	-	15,000
TBF Thompson Trust	3,000	3,000
Grants deferred from/(to) prior periods	28,300	(31,300)
	<u>50,065</u>	<u>26,927</u>

MOORLANDS COLLEGE LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2003

6. RESOURCES EXPENDED

	Fundraising & Publicity	Teaching Costs	Accommodation & Welfare	Support Costs	Management & Admin.	Total 2003	Total (MBCT) 2002
Salaries, Wages and Pension	26,539	292,629	-	132,067	24,725	475,960	441,009
Other Staff Costs	-	9,292	-	-	-	9,292	7,169
Teaching Costs	-	30,550	-	-	-	30,550	30,882
Elivate Costs	-	3,120	-	-	-	3,120	4,005
Travel	-	28,973	-	9,835	-	38,808	30,859
Library	-	15,552	-	-	-	15,552	11,604
Housekeeping including Catering	-	17,554	-	62,003	-	79,557	87,409
Maintenance	-	-	-	61,023	-	61,023	53,702
Abortive Building Costs	-	-	-	-	-	-	25,686
Services	-	-	-	27,114	-	27,114	26,106
Depreciation	-	16,014	-	28,259	-	44,273	35,768
Bursaries	-	22,454	-	-	-	22,454	20,007
New Course Development	-	51,569	-	-	-	51,569	29,394
Bad Debts	-	-	-	-	(366)	(366)	953
Advertising	15,080	-	-	-	-	15,080	15,932
Promotions	37,945	-	-	-	-	37,945	26,751
Audit and Accountancy	-	-	-	-	8,346	8,346	5,805
Office Costs	3,600	-	-	15,463	11,854	30,917	38,354
Sundry	-	-	524	-	5,560	6,084	5,040
Finance Charges	-	-	-	-	357	357	367
Nursery	-	-	4,774	-	-	4,774	46,870
Bookshop	-	6,569	-	-	-	6,569	7,593
	<u>£83,164</u>	<u>£494,276</u>	<u>£5,298</u>	<u>£335,764</u>	<u>£50,476</u>	<u>£968,978</u>	<u>£951,265</u>

MOORLANDS COLLEGE LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2003

7. SUBSIDIARY COMPANY

The subsidiary, Moorlands Holidays Limited, is a company limited by guarantee, the members of whom are the Trustees of the College. One Trustee (Rev D Craig) sits as the Director of the subsidiary, through whom the College controls the subsidiary.

The subsidiary provided facilities for conferences and house parties on the college campus.

The subsidiary operated on a break-even basis after all its costs. Due to restructuring, and in order to streamline the management and administration of the College, the subsidiary ceased to trade on 30 September 2002. Its final period of accounts are for the 15 months to that date. Its trading results for the period to 30 September 2002, as extracted from the management accounts to that date, are summarised below:

	£
Incoming Resources	47,997
Management Charge	-
Direct Expenses	(40,542)
Operating Profit	<u>7,455</u>
Interest Receivable	153
Profit for the year	<u><u>£7,608</u></u>

8. TANGIBLE FIXED ASSETS - Consolidated and College

	Original Site £	College Buildings £	Building Project 2001 - 2005	Fittings and Equipment £	Motor vehicles, Garden Implements £	Total £
COST:						
Transfer from MBCT	296,082	979,349	156,129	94,690	11,050	1,537,300
Additions	-	-	251,802	23,368	-	275,170
Disposals	-	-	-	-	-	-
At 30 June 2003	<u>296,082</u>	<u>979,349</u>	<u>407,931</u>	<u>118,058</u>	<u>11,050</u>	<u>1,812,470</u>
DEPRECIATION:						
Transfer from MBCT	13,783	86,747	-	61,772	11,050	173,352
Charge for the year	-	28,259	-	16,014	-	44,273
Eliminated on disposals	-	-	-	-	-	-
At 30 June 2003	<u>13,783</u>	<u>115,006</u>	<u>-</u>	<u>77,786</u>	<u>11,050</u>	<u>217,625</u>
NET BOOK VALUE:						
At 30 June 2003	<u>£282,299</u>	<u>£864,343</u>	<u>£407,931</u>	<u>£40,272</u>	<u>-</u>	<u>£1,594,845</u>
At 30 June 2002 (MBCT)	<u>£282,299</u>	<u>£892,602</u>	<u>£156,129</u>	<u>£32,918</u>	<u>-</u>	<u>£1,363,948</u>

The College buildings and site are still legally registered in the name of MBCT, as nominees for the College, and the process of legal transfer is currently in progress.

MOORLANDS COLLEGE LIMITED
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9. DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		College	
	2003	2002 (MBCT)	2003	2002 (MBCT)
	£	£	£	£
Fees outstanding	16,049	20,625	16,049	20,625
Other debtors	1,726	3,805	1,726	6,949
	<u>£17,775</u>	<u>£24,430</u>	<u>£17,775</u>	<u>£27,574</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		College	
	2003	2002 (MBCT)	2003	2002 (MBCT)
	£	£	£	£
Fees in advance	11,481	21,140	11,481	13,186
Trade creditors	2,770	6,204	2,770	6,204
Taxes and social security	8,662	-	8,662	-
Accruals	33,192	46,567	33,192	45,817
Other	-	31,300	-	33,366
	<u>£56,105</u>	<u>£105,211</u>	<u>£56,105</u>	<u>£98,573</u>

MOORLANDS COLLEGE LIMITED
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11. RECONCILIATION ON MOVEMENTS OF FUNDS

	Transferred From MBCT £	Incoming resources £	Resources expended £	Surplus/ (deficit) £	Transfers	At 30 June 2003 £
General fund	218,161	838,275	(816,523)	21,752	(22,855)	217,058
Moorlands Holidays Limited reserve	(530)	48,150	(40,542)	7,608	(2,324)	4,754
Unrestricted surplus as per Statement of Financial Activities	217,631	886,425	(857,065)	29,360	(25,179)	221,812
Course development fund	-	50,065	(51,569)	(1,504)	1,504	-
Building fund						
Unrestricted fund	233,339	-	-	-	(233,339)	-
Designated funds - legacies	294,000	-	-	-	254,054	548,054
Restricted funds - previous development projects	1,034,778	-	(28,259)	(28,259)	-	1,006,519
Building fund - Phase II						
Restricted funds 2001 - 2005	23,741	56,219	-	56,219	-	79,960
	<u>1,585,858</u>	<u>56,219</u>	<u>(28,259)</u>	<u>27,960</u>	<u>20,715</u>	<u>1,634,533</u>
Other Restricted Funds						
Bursary Fund						
International Student Bursary Fund	5,119	1,718	(7,199)	(5,481)	-	(362)
Student Bursary Fund	34,856	4,480	(4,745)	(265)	-	34,591
Student (Hardship) Fund	11,410	14,562	(10,510)	4,052	-	15,462
	<u>51,385</u>	<u>20,760</u>	<u>(22,454)</u>	<u>(1,694)</u>	<u>-</u>	<u>49,691</u>
Visualise Fund	902	60	-	60	-	962
College Mission Fund	-	6,671	(9,631)	(2,960)	2,960	-
	<u>£1,855,776</u>	<u>£1,020,200</u>	<u>(£968,978)</u>	<u>£51,222</u>	<u>-</u>	<u>£1,906,998</u>

The building funds of £1,554,573 (including restricted funds of £1,006,519) have been invested in the college buildings (see note 8). Further restricted funds of £79,960 have been given for Phase II of the building project.

All income to the Bursary Fund is restricted, being specified for student support.

The Visualise project is a consortium of charities set up to purchase and maintain video projection facilities.

The College Mission Fund is for gifts towards the annual College mission.

MOORLANDS COLLEGE LIMITED
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12. ANALYSIS OF COLLEGE AND GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2003 £	Restricted Funds 2003 £	Designated Funds 2003 £	Total Funds 2003 £
Fund balances at 30 June 2003 are represented by:				
Fixed assets	40,272	1,006,519	548,054	1,594,845
Net Current assets	181,540	130,613	-	312,153
	<u>£221,812</u>	<u>£1,137,132</u>	<u>£548,054</u>	<u>1,906,998</u>

13. CAPITAL COMMITMENTS

There were capital commitments of approximately £11,040 as at the year end in respect of Phase I of the building project which will be met from unrestricted general funds.

14. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2003.

15. POST BALANCE SHEET EVENTS

Following a grievance during the year a member of staff resigned and received a payment of £17,165 under a compromise agreement. A provision for the majority of this sum has been included in these financial statements.

16. TRANSFER OF UNDERTAKING

Since 1 July 2002, Moorlands College Limited has taken over all the assets, liabilities and functions of Moorlands Bible College Trust, a registered charity, No. 286334. These have continued uninterrupted in the new company. Moorlands Bible College Trust will be wound up and removed from the Register of Charities once the legal transfer of the freehold land and buildings has been completed.

Comparative figures for the year to 30 June 2002 for MBCT have been included in these financial statements for information only.