

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL
STATEMENTS**

for the year ended 30 June 2016

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INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 6
Trustees' responsibilities statement	7
Independent auditor's report	8
Statement of financial activities	9
Balance sheet	10 - 11
Cash flow statement	12
Notes to the financial statements	13 - 22

INSTITUTE OF ST. ANSELM

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
for the year ended 30 June 2016**

Trustees Reverend L Kofler
Miss T Slinn
Sister S J Moloney
Mr P Goodlace
Brother G Kalangod (resigned 29 July 2016)
Father D McCaul
Mr M Rider

**Company registered
number** 02010021

**Charity registered
number** 294625

Registered office Norfolk Road
Cliftonville
Kent
CT9 2EU

Company secretary Reverend J McCluskey

Chief executive officer Reverend L Kofler

Independent auditor Wilkins Kennedy LLP
Chartered Accountants
Statutory Auditors
Delandale House
37 Old Dover Road
Canterbury
Kent
CT1 3JF

Bankers HSBC Bank plc
9 Rose Lane
Canterbury
CT1 2JP

Solicitors Parry Law
12/14 Oxford Street
Whitstable
Kent
CT5 1DE

Stone King
13 Queen Square
Bath
BA1 2HJ

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

TRUSTEES' REPORT
for the year ended 30 June 2016

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Institute of St Anselm (the Company) for the year ended 30th June 2016. The Trustees confirm that the Annual Report and financial statements of the Company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Whatever we do, we want it to be in line with the principle objective of the company: "The advancement of religion and education throughout the world and in particular but without prejudice to the foregoing the analysis of the process of human growth and the training of individuals (and especially leaders) to foster psychological, physical and spiritual growth."

The Institute's Mission is driven by the conviction that the formation of bishops, superiors, priests, religious and pastoral workers needs to be more process-oriented if the church of the future is to become a healing Church. Generally speaking one can say that candidates learn to grow in love for themselves, others, the environment and God through learning to relate constructively to all four.

The Institute's basic premise is that Christianity will become relevant to the needs of our time when the emphasis changes from its traditional teaching function to the healing ministry as seen in Jesus' ministry. Healing played a fundamental role. The courses run by the Institute encourage and facilitate a process of inner growth and change in the participants. This moment of metanoia or spiritual conversion enables them to out grow their fears and trust themselves in the "unfolding process of life and meaning".

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the trustees who are co-opted under the terms of the memorandum and articles of association.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

When a new trustee joins the Institute they are first introduced to the existing trustees and staff members and shown around the various buildings. The trustees are informed of what is expected of them and made aware of their legal obligations. To assist them they are issued with a copy of the latest edition of "The Essential Trustee: What you need to know" to give them a guide of what is expected. A copy of "The Essential Trustee" is also given to existing trustees as and when a new edition is updated.

Updated literature about Charities and Charity Law is distributed to the trustees as and when received.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Charity is UK based with its headquarters in Cliftonville, near Margate, Kent. The Institute's management structure has three tiers of Executive, Staff and Team. The support functions are broken down between maintenance and catering departments. An advisory board meets twice each year offering guidance and direction to the trustees.

TRUSTEES' REPORT (continued)
for the year ended 30 June 2016

e. RISK MANAGEMENT

We did a very thorough risk assessment on several levels, particularly with regard to contracts and health and safety issues. Thus we came to the conclusion that we should employ a firm to assist us in this work. The firm we chose is Peninsula which has helped us much in many respects.

The biggest risk for the Institute is the constant refusal of visas by the embassies and therefore a great drop of participants. The system of obtaining a visa has become more and more complicated and therefore unmanageable for many participants and office personnel.

The number of participants is gradually building up and we receive very positive feedback from them about the courses. There were a few participants refused visas for this year's course. Because it is so difficult to get a visa, many no longer apply for the courses.

Since we have re-structured our courses to shorter units to avoid the difficulties of obtaining a visa, this has improved, however the weekly shorter courses have not brought in the income expected. We have been advertising continuously throughout the year to Europe and other Countries and find that our enquiries from Ireland and England are increasing and although this may be a slow process we are hopeful for the following years to come.

The qualification levels have changed for 2nd & 3rd year to level 6 and 7. People who want to stay on for year 2 have to return home and apply for for a visa and also sit an English test. It makes it difficult for some to follow year 2 and 3.

As the recession continues this also naturally affects our Courses.

OBJECTIVES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

The chief objectives of the charity are the advancement of religion and education throughout the world and, in particular but without prejudice to the foregoing the analysis of the process of human growth and the training of individuals (and especially leaders) to foster psychological, physical and spiritual growth.

The main objectives for the year are advertising, assessing and the smooth running of all courses.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The strategies for achieving the objectives are:

Leadership Training – to help them to understand themselves in a leadership role.

Multi cultural – Community Living;

Encouragement of people from countries worldwide to attend courses;

Support of those, especially in need of psychological and spiritual enhancement.

There are many significant activities that contribute to the achievement of the stated objectives. The Institute offers a variety of courses to meet the particular needs of participants.

TRUSTEES' REPORT (continued)
for the year ended 30 June 2016

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

The Institute was established in 1984. Over 1,500 students have received a Diploma in Human Development after completing their nine-month experiential programme. During the 2015/2016 Course we had the following participants on the various courses as follows:

1SADip – 1 Year Diploma = 16 participants.
2SADip – 1 Year Diploma = 9 participants.
3SACert – 6 month Certificate course with skills = 5 participants.
4SACert – 6 month Certificate course without skills = 0 participants.
5SACert – 12 Week Certificate course = 8 participants.
6SACert – 18 Week Certificate = 1 participant.
7SACert – 7 Week Summer Certificate Course = 27 participants.

We also offer an opportunity for rest and relaxation during term time, for those who have been in a leadership role.

Some participants were delayed for various reasons, particularly with regard to visas. To date, the Institute has assisted over five thousand participants in different courses; these in turn have helped countless others throughout the world, which is a vast achievement for the Institute. Each year we know that the participants will take with them what they have learned and go on to teach others back in their own countries. We hope that in this way our teaching will be passed on for many years to come.

To see the students when they first arrive and then when they leave, and to see how much they have grown in maturity and integration as well rounded and balanced and gained from the courses is extremely beneficial and highly gratifying for staff and participants.

d. GRANT MAKING POLICIES

During the year the Institute offered bursaries to 4 second year and 4 third year team members which would be worth £96,000 in fees to the Institute.

Fr Len and Thalia gave their 4th Workshop in Slovenia in April 2016. A U3A Charitable event was also held here at the Institute and we had 16 outsiders come for EQ which went very well.

ACHIEVEMENTS AND PERFORMANCE

a. GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

See note 19 in the financial statements regarding post balance sheet events.

TRUSTEES' REPORT (continued)
for the year ended 30 June 2016

b. REVIEW OF ACTIVITIES

The Academic year 2015/16

Diploma, Certificate and Sabbatical Courses 2015/16

We began the academic year with 29 participants.

All of the students were very keen and took part in all activities and they enjoyed the courses and gained much from them. There was a great atmosphere and everybody did their very best, which resulted in a most successful outcome.

Summer Course 2015

27 participants followed all seven weeks of the summer Course. We divided the groups into communities as we do in the Year's Course. We also included 'cultural masses'. The one-to-one sessions were twice a week. All this was very much appreciated. The rest of the course was similar to the Diploma Course, only an abbreviated form. The training of the new team for group work was started. The Summer Course is always very intensive, but at the same time very fruitful.

A new activity of training top management was introduced and Sr Irene Fernandez, Superior General of Medical Mission Sisters sent 6 sisters for 10 days during May.

Academic Staff

At the moment we have 3 team members and 11 staff. Fr. Len, Fr Thaddeus Claire McGuire and Fr James (who is an administrative assistant to Claire McGuire) are responsible for the running of the Institute with much support and consultation from Thalia Slinn. John McCluskey keeps excellent records of our minutes for the various meetings and is very much involved in the spiritual area of the courses. Sr. Therese Garman is a very helpful consultant and guide for our requirements for ncf, ASIC, School Inspection Service and UKBA and also continues in the role of external assessor. We have tried to simplify some structures, however, the paper work has continued to increase due to so many continual new regulations from the government which creates much hardship for a small institution like ours. The continuous challenge to communicate with Students to apply for the English Language test immediately on their enquiry of our Courses is ongoing. Some of the students when applying for the courses do not realise the seriousness of applying for their English Language test as soon as possible in order to obtain their Visa and this has been very challenging work for the main office.

Inspection of Courses

During the year 2015/2016 we had two inspections with ncf one on 27th January 2016 and the second on the 19th July 2016 and received excellent Reports on both occasions. Bridge School Inspectorate has now been replaced by School Inspection Service and we are due an Inspection very soon.

c. Investment Policy and performance

Under the Memorandum and Articles of Association the charity has the power to invest the monies of the Trust not immediately required for its purposes in or upon such investments, securities or property as the Trustees (meaning in the memorandum the persons holding such office as constitute under the Trust's Articles of Association) shall think fit.

The Institute has adopted a strategy in its investment policy for capital appreciation. The investment portfolio performed in line with market expectations.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
for the year ended 30 June 2016

FINANCIAL REVIEW

a. Reserves policy

During the last few years the charity has been consolidating its position and is working towards building up a level of reserves that would cover a period of 12 months of expenditure, given the infrequency of incoming resources for charitable activities.

Currently the charity has free reserves of £436k against a target of £500k.

b. Principal funding

Aside from the income generated from the Charity's investment properties, the principal funding source comes from fees received for courses provided by the Charity during the year.

As part of continuous consolidation of the Institute we have used some of our finances to replace more sections of the roof and we have also replaced more windows with new double glazed ones, which we hope will benefit us by helping to reduce our heating costs in the future.

PLANS FOR THE FUTURE

a. Future Developments

The New Academic Year September 2016/17

We began the year with 35 participants and this year we had full attendance within a week.

a) Advertising - we have been advertising continually throughout the year and will continue to do so. We have sent several mail outs to Bishops Priest & Religious in Europe and other Countries.

b) Properties – Houses, 63, 65 and 67 Norfolk Road continue to be let out to tenants, for which we receive rental income and they are managed by a local Firm. We are using the ground floor flat of 61 Norfolk Road as offices and Flat 2 is also let out to tenants and managed by the same firm local firm.

See note 19 of the financial statements regarding post balance sheet events.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit and to establish that the charitable company's auditor is aware of that information.

AUDITOR

Lakin Clark Limited merged its practice with Wilkins Kennedy LLP with effect from 1 May 2016 and now practices under the name Wilkins Kennedy LLP.

The auditor, Wilkins Kennedy LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion re-appointing the auditor at a meeting of the trustees.

This report was approved by the Trustees on 28 March 2017 and signed on their behalf by:


.....
Reverend L Kofler
Trustee

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
for the year ended 30 June 2016

The Trustees (who are also directors of Institute of St Anselm for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTITUTE OF ST. ANSELM

We have audited the financial statements of Institute of St. Anselm for the year ended 30 June 2016 set out on pages 9 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Wilkins Kennedy LLP

Wilkins Kennedy LLP
Chartered Accountants
Statutory Auditors
28 March 2017

Wilkins Kennedy LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
for the year ended 30 June 2016

		Unrestricted funds 2016 £	As restated Total funds 2015 £
	Note		
INCOME FROM:			
Donations and legacies		2,460	1,446
Charitable activities	2	476,641	376,229
Investments	3	37,005	38,183
Other income		7,378	7,221
TOTAL INCOME		523,484	423,079
EXPENDITURE ON:			
Raising funds		198	1,130
Charitable activities		405,974	447,091
TOTAL EXPENDITURE	6	406,172	448,221
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES			
		117,312	(25,142)
Gains/(losses) on investment assets	11	4,528	(9,856)
NET MOVEMENT IN FUNDS		121,840	(34,998)
RECONCILIATION OF FUNDS:			
Total funds brought forward		2,135,428	2,272,826
Prior year adjustment (Note 15)		102,400	-
TOTAL FUNDS CARRIED FORWARD		2,359,668	2,237,828

The notes on pages 13 to 22 form part of these financial statements.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)
Registered number: 02010021

BALANCE SHEET
as at 30 June 2016

	Note	£	2016 £	£	As restated 2015 £
FIXED ASSETS					
Tangible assets	9	2,426,376		2,401,065	
Investment property	10	375,000		375,000	
Total tangible assets			2,801,376		2,776,065
Investments	11		76,026		21,498
			2,877,402		2,797,563
CURRENT ASSETS					
Debtors	12	20,448		91,463	
Cash at bank and in hand		342,932		348,569	
		363,380		440,032	
CREDITORS: amounts falling due within one year	13	(280,231)		(355,562)	
NET CURRENT ASSETS			83,149		84,470
TOTAL ASSETS LESS CURRENT LIABILITIES			2,960,551		2,882,033
CREDITORS: amounts falling due after more than one year	14		(600,883)		(644,205)
NET ASSETS			2,359,668		2,237,828
CHARITY FUNDS					
Unrestricted funds	16		2,359,668		2,237,828
TOTAL FUNDS			2,359,668		2,237,828

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

BALANCE SHEET (continued)
as at 30 June 2016

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on **28 March 2017** and signed on their behalf, by:


.....
Miss T Slinn


.....
Reverend L Kofler

The notes on pages 13 to 22 form part of these financial statements.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

CASH FLOW STATEMENT
for the year ended 30 June 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>131,889</u>	<u>128,604</u>
Cash flows from investing activities:			
Proceeds from the sale of tangible fixed assets		-	687,398
Purchase of tangible fixed assets		(46,705)	(246,337)
Purchase of investments		(50,000)	-
Net cash (used in)/provided by investing activities		<u>(96,705)</u>	<u>441,061</u>
Cash flows from financing activities:			
Repayments of borrowings		(40,821)	(530,477)
Net cash used in financing activities		<u>(40,821)</u>	<u>(530,477)</u>
Change in cash and cash equivalents in the year		(5,637)	39,188
Cash and cash equivalents brought forward		<u>348,569</u>	<u>309,381</u>
Cash and cash equivalents carried forward	18	<u><u>342,932</u></u>	<u><u>348,569</u></u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page . In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.4 INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

1. ACCOUNTING POLICIES (continued)

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	5 to 20 years on a straight line basis

1.7 INVESTMENT PROPERTIES

Investment properties are included in the Balance sheet at market value in accordance with the Charities SORP (FRSSE) (effective 1 January 2015) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the Trustees, necessary in order to give a true and fair view of the financial position of the company.

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

1. ACCOUNTING POLICIES (continued)

1.9 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.10 DEBTORS

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

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	As restated Total funds 2015 £
Diploma / Sabbatical	384,159	273,832
Summer	80,421	77,188
EQ (Bodywork)	4,970	6,415
Other courses	7,091	18,794
	<u>476,641</u>	<u>376,229</u>

3. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2015 £
Income from investment properties	34,800	34,645
Bank interest	2,205	3,538
	<u>37,005</u>	<u>38,183</u>

4. DIRECT COSTS

	Total 2016 £	Total 2015 £
Guest and Team Lectures	10,760	11,322
Library and visual aids	1,434	2,669
Food	40,646	39,376
Building Repairs	40,641	36,755
Donations	3,400	14,020
Rates	17,972	18,305
Light and heat	22,695	29,349
Cleaning and Laundry	2,687	3,037
Household and refuse collection	4,095	3,788
Insurance	13,037	13,443
Wages and salaries	69,071	69,555
National insurance	5,263	5,227
Depreciation	19,959	46,590
	<u>251,660</u>	<u>293,436</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

5. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Building Repairs	2,852	2,433
Advertising	235	911
Rates	1,230	1,219
Light and Heat	1,733	2,240
Other Expenditure	5,190	7,550
Travel and subsistence	7,780	9,166
Telephone, printing and stationery	13,080	12,544
Equipment maint. and repairs	8,933	7,062
Legal and professional fees	20,805	14,167
Loan interest and charges	19,853	27,151
Insurance	686	708
Household and refuse collection	200	196
Wages and salaries	63,452	60,330
Depreciation	1,435	1,331
	147,464	147,008

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on investment management	-	-	198	198	1,130
COSTS OF GENERATING FUNDS	-	-	198	198	1,130
Running of courses	137,786	21,394	239,944	399,124	440,444
Expenditure on governance	-	-	6,850	6,850	6,647
	137,786	21,394	246,992	406,172	448,221

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	21,394	47,921
Auditor's remuneration - audit	6,850	6,647
	<u>28,244</u>	<u>54,568</u>

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

1 Trustee received reimbursement of expenses amounting to £118 in the current year, (2015 - 2 Trustees - £276).

8. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	132,523	129,886
Social security costs	5,263	5,227
	<u>137,786</u>	<u>135,113</u>

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

	2016 No.	2015 No.
Direct charitable staff	6	7
Support staff	5	5
	<u>11</u>	<u>12</u>

No employee received remuneration amounting to more than £60,000 in either year.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

9. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Total £
COST				
At 1 July 2015	2,711,264	6,190	156,492	2,873,946
Additions	-	-	46,705	46,705
Disposals	-	-	(31,299)	(31,299)
At 30 June 2016	<u>2,711,264</u>	<u>6,190</u>	<u>171,898</u>	<u>2,889,352</u>
DEPRECIATION				
At 1 July 2015	366,654	5,640	100,587	472,881
Charge for the year	7,326	138	13,930	21,394
On disposals	-	-	(31,299)	(31,299)
At 30 June 2016	<u>373,980</u>	<u>5,778</u>	<u>83,218</u>	<u>462,976</u>
NET BOOK VALUE				
At 30 June 2016	<u>2,337,284</u>	<u>412</u>	<u>88,680</u>	<u>2,426,376</u>
At 30 June 2015	<u>2,344,610</u>	<u>550</u>	<u>55,905</u>	<u>2,401,065</u>

Included in land and buildings is freehold land at valuation of £542,253 (2015 - £542,253) which is not depreciated.

10. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 July 2015 and 30 June 2016	<u>375,000</u>
COMPRISING	
Cost	<u>375,000</u>
At 30 June 2016	<u>375,000</u>

The 2016 valuations were made by the Trustees, on an open market value for existing use basis.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

11. FIXED ASSET INVESTMENTS

	Listed securities £
MARKET VALUE	
At 1 July 2015	21,498
Additions	50,000
Revaluations	4,528
At 30 June 2016	76,026

12. DEBTORS

	2016 £	2015 £
Trade debtors	6,340	75,493
Other debtors	14,108	15,970
	20,448	91,463

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	As restated 2015 £
Bank loans and overdrafts	40,775	38,275
Trade creditors	1,706	3,168
Other taxation and social security	681	720
Other creditors	774	299
Accruals and deferred income	236,295	313,100
	280,231	355,562

The HSBC bank loan is secured by the way of a first legal mortgage dated 9 March 2009 over the freehold property of the Institute and a debenture dated 5 March 2009 incorporating a fixed and floating charge over all current and future assets of the Institute.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

14. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Bank loans	600,883	644,205
	=====	=====

Included within the above are amounts falling due as follows:

	2016	2015
	£	£
BETWEEN ONE AND TWO YEARS		
Bank loans	40,775	38,275
	=====	=====
BETWEEN TWO AND FIVE YEARS		
Bank loans	122,325	114,825
	=====	=====
OVER FIVE YEARS		
Bank loans	437,783	491,105
	=====	=====

Creditors include amounts not wholly repayable within 5 years as follows:

	2016	2015
	£	£
Repayable by instalments	437,783	491,105
	=====	=====

The HSBC bank loan is secured by the way of a first legal mortgage dated 9 March 2009 over the freehold property of the Institute and a debenture dated 5 March 2009 incorporating a fixed and floating charge over all current and future assets of the Institute.

15. PRIOR YEAR ADJUSTMENT

Deferred income

The accounts have been restated to incorporate the impact of a misclassification of deferred income as income. The change has resulted in general reserves at 30 June 2015 decreasing by £102,400.

Summary of the prior year accounting impact:

Reduction in Income – Diploma Course fees of £102,400.
Increase in Creditors – Deferred income of £102,400.
Prior year adjustment - Reduction of general reserves of £102,400.

INSTITUTE OF ST. ANSELM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

16. SUMMARY OF FUNDS

	Brought Forward As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated fund	21,498	-	-	50,000	4,528	76,026
General funds	2,216,330	523,484	(406,172)	(50,000)	-	2,283,642
	<u>2,237,828</u>	<u>523,484</u>	<u>(406,172)</u>	<u>-</u>	<u>4,528</u>	<u>2,359,668</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	117,312	(25,142)
Adjustment for:		
Depreciation charges	21,394	47,921
Decrease/(increase) in debtors	71,014	(53,661)
(Decrease)/increase in creditors	(77,831)	159,486
Net cash provided by operating activities	<u>131,889</u>	<u>128,604</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	342,932	348,569
Total	<u>342,932</u>	<u>348,569</u>

19. POST BALANCE SHEET EVENTS

After the year end the Government withdrew the charity's Tier 4 visa status, without appeal. This is expected to have an impact on the ability of the charity to secure places for overseas students which may lead to a decrease in future incoming resources for diploma courses.

The charity has been exploring various options regarding the future of the charity, one of which is the possibility of moving the charity operations overseas to Italy where the application of visas is less regulated.

The trustees are satisfied that the charity has adequate reserves and future income streams from students not requiring visas to enable these financial statements to be prepared on the going concern basis.