

Charity Registration number: 103892
Registered number: NI061218

Belfast Metropolitan College Trust

(a company limited by guarantee)

Annual report and financial statements for the year ended 31 July 2021

Belfast Metropolitan College Trust

(a company limited by guarantee)

Annual report and financial statements for the year ended 31 July 2021

Contents	Page(s)
Reference and administrative details	1
Trustees' report	2 - 6
Independent auditors' report to the members of Belfast Metropolitan College Trust	7 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 18

Reference and administrative details

Trustees/Directors

Ms Kate Burns, Chairperson
Professor Kenneth O'Neill
Mr Brian Wilson

Company secretary

Mr Gerry Crossan

Non-executive Trustees

Staff representative: Kerry Power
Student representative: Robyn Archer

Registered office / principal office

Belfast Metropolitan College
Titanic Quarter Campus,
7 Queen's Road, Belfast,
BT3 9DT

Solicitors

Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

Bankers

Danske Bank
PO Box 183
Donegall Square West
Belfast
BT1 6JS

Independent auditors

Ross Boyd (Belfast) Ltd
Thomas House
14-16 James Street South,
Belfast
BT2 7GA

Trustees' report for the year ended 31 July 2021

The trustees, who are also the directors of the Trust for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 July 2021.

Reference and administration details

Details of the registered office, trustees, independent advisers and other relevant information are given on page 1.

Structure, governance and management

Governing document

Belfast Metropolitan College Trust is a company limited by guarantee governed by its Memorandum and Articles of Association.

Trustees

Trustees are not currently members of the Trust. Current Trustees were appointed by the College Governing Body. All trustees are guarantors of the Trust with a maximum liability of £1. The trustees of the company who were in office during the year and up to the date of signing the financial statements are set out on page 1.

Appointment of trustees

Each Trustee appointed to the Board retires every four years but can offer themselves for re-election. During the year under review the Trustees met on 3 occasions. Trustees can also be appointed by written ordinary resolution approved by the member. Nominated Trustees are appointed by election.

Trustee induction and training

The Trust ensures that appropriate induction and training is given to all Trustees. The Trust ensures Trustees are aware of their responsibilities on Corporate Governance. Trustees have attended governance training.

Organisation

The Trustees manage all business decisions and meet on a regular basis.

The Trust was registered as a charity by The Charity Commission for Northern Ireland on 12 November 2015.

Risk management

The Trustees are responsible for ensuring that an effective system of internal financial control is maintained and operated by the Trust. The system of internal financial control is based on a framework of regular management information; administrative procedures; and a system of delegation and accountability and is designed to provide reasonable assurance that:

- the Trust is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the company or for publication is reliable;
- the Trust complies with relevant laws and regulations; and
- the Trust's systems of financial control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

Trustees' report for the year ended 31 July 2021 (continued)

Objectives and activities

The main objectives and activities for the year were:

- the Charity's objectives are to promote the following purposes for the public benefit
- the advancement of education, training and skills of students and graduates of Belfast Metropolitan College and such other persons in Northern Ireland; and
- such other exclusively charitable purpose according to the law of Northern Ireland as the Trustees may from time to time decide.

Trust policies and procedures

The Trust scholarship is funding offered to Belfast Metropolitan College students to support activities beyond the College that will improve future employability.

Eligibility to apply for a Trust scholarship

To be eligible to apply for an award students must meet all the following criteria:

- be a registered student of Belfast Metropolitan College;
- have met all the assessment and financial responsibilities related to the course;
- be at least 18 years old by the application closing date;
- be an EU citizen and/or hold legal residency status;
- obtain a written endorsement for proposed activity from course tutor; and
- sign an agreement with the Trust related to scholarship activities.

Public benefit statement

The public benefit requirement is defined in the Charities Act (Northern Ireland) 2008 and states that purposes must be for the public benefit to be charitable. The Trustees confirm that they have complied with the duty to have regard to the guidance issued by the Charity Commission for Northern Ireland under section 4(b) of the Charities Act (the public benefit requirement statutory guidance). The Trust's board believe that they have made the advancement of students' education possible. The objective is to advance the education and training of students by providing financial and other assistance which would not have otherwise been possible.

Achievements and performance

Of particular note:

The Belfast Met Charitable Trust Scholarship scheme is one of the Trust's flagship programmes and continues to grow in popularity and awareness. The Scholarship Scheme was established in 2006/07 and provides shortfall funding to enable eligible students to pursue opportunities which are over and above the experience that they have as part of their learning programme with the College. Due to the Covid-19 situation the Trust was unable to run its scholarship scheme in the year and as a result no awards were made in 2020/21.

The Belfast Met Charitable Trust Mentoring Programme seeks to support some of the most vulnerable students from the College to include those who are Leaving Care; or are Carers; or are Single parents; or who are in contact with the criminal justice system. The programme provides practical support to College students in taking forward their studies, assessments and coursework.

Trustees' report for the year ended 31 July 2021 (continued)

Fundraising

There were no fundraising events organised in the financial year.

Financial review

Due to the Covid-19 situation the Trust was unable to award any scholarships in 2020/21. (2019/20 Nil).

Investment policy

The trustees have the power to invest in such assets as they see fit.

Reserves policy

The Trust's current policy is to have sufficient working capital in its current bank account to meet the value of awards and any costs incurred for the year. The Trust is in the process of developing a plan to increase income and extend its bursary and awards to students. Reserves are spread across a number of financial institutions, and include unit trusts which invest in a portfolio of stock market shares.

Covid 19

The Covid-19 outbreak, declared as a global pandemic in March 2020, continues to present major challenges for people and economies across the globe. There is still significant uncertainty over the extent of the impact and longevity of the outbreak. As a result of this the Trust was unable to run its normal bursary scheme in 2019/20 or 2020/21 and instead during the pandemic provided devices and connectivity provision for a number of students in need so they could continue their education remotely. The directors have reviewed forecasts for the charity which have been updated for the expected impact of Covid-19 on trading and operating results remain in line with the director's revised expectations.

Going concern

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern.

Plans for future periods

The Trust's objective is:

"To advance the education and training of students and graduates of Belfast Metropolitan College."

The Trust will achieve this mainly by providing funding and assisting in the provision of facilities, equipment, premises, resources and other items, including prizes and bursaries. Trust Funds are over and beyond the statutory support provided by the Department for the Economy (DfE); hence they allow the pursuit of projects which are not otherwise possible for Belfast Metropolitan College students.

Its strategic targets are:

- to raise the profile of the Trust locally, regionally, nationally and internationally;
- to build the Trust Fund through a range of fundraising activity;
- to distribute Trust Funds to students through a structured 'call' process; and
- to use the Trust to add value and enhance the quality of the student experience at Belfast Metropolitan College and enhance its reputation.

Trustees' report for the year ended 31 July 2021 (continued)

Plans for future periods (continued)

It will therefore work to:

- increase its public profile and public awareness and will actively market its activities;
- seek the support of past students and staff and business community to attract donations to increase its funds; expand its support to students in 2021/22;
- look for other opportunities to raise or apply for funding through for example grant applications;
- extend the membership of the Trust Board; and
- continue to strive for good governance by continuing to offer information and training to the Board of Trustees.

Funds held as custodian trustees on behalf of others

The charity holds no funds as custodian trustees on behalf of others.

Statement of trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Belfast Metropolitan College Trust for the purposes of Company Law) are responsible for preparing the Trustees' Annual Report and 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 that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the 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 in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

Statement of disclosure of information to auditors

So far as each of the trustees in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Independent auditors

The auditors, Ross Boyd (Belfast) Ltd, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board



Kate Burns (Chairperson)

Trustee

28 October 2021

Independent auditors' report to the members of Belfast Metropolitan College Trust

Opinion

We have audited the financial statements of Belfast Metropolitan College Trust (the 'charitable company') for the year ended 31 July 2021 which comprise Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Independent auditors' report to the members of Belfast Metropolitan College Trust (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

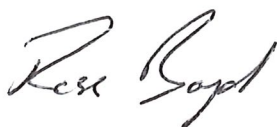
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Trustees and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Trustees and other management.
- We communicated applicable laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk if not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Independent auditors' report to the members of Belfast Metropolitan College Trust (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ross Boyd
(Senior Statutory Auditor)
For and on behalf of
Ross Boyd (Belfast) Limited
Chartered Accountants and Statutory Auditors

Thomas House
14-16 James Street South
Belfast
Co. Antrim
BT2 7GA

28 October 2021



Belfast Metropolitan College Trust

(a company limited by guarantee)

10

Statement of financial activities (including income and expenditure account) for the year ended 31 July 2021

Incoming resources/income	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2020	Restricted funds 2020	2020 £
Incoming resources from generated funds						
- Voluntary income	5	12,376	-	2,171	-	2,171
- Investment income	6	188	-	213	-	213
Total incoming resources		12,564	-	2,384	-	2,384
Resources expended/expenditure						
Cost of generating funds	7	12,694	-	19,549	-	19,549
Charitable activities	8	20,995	-	12,620	-	12,620
Governance costs	9	2,184	-	1,820	-	1,820
Total resources expended		35,873	-	33,989	-	33,989
Net (outgoing)/incoming resources before other recognised gains and losses		(23,309)	-	(31,605)	-	(31,605)
Other recognised gains and losses						
Gain on revaluation on investments	14	24,967	-	(595)	-	(595)
Net movement in funds		1,658	-	(32,200)	-	(32,200)
Fund balances brought forward at 1 August		168,406	7,057	200,606	7,057	207,663
Fund balances carried forward at 31 July	16	170,064	7,057	168,406	7,057	175,463

All amounts above relate to continuing operations of the Trust.

The Trust has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the net movement in funds for the years stated above, and their historical cost equivalents.

Balance sheet as at 31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	14	147,741	152,774
		147,741	152,774
Current assets			
Cash at bank and in hand		41,665	24,589
		41,665	24,589
Creditors: amounts falling due within one year	15	(12,285)	(1,900)
Net current assets		29,380	22,689
Net assets		177,121	175,463
The funds of the charity:			
Unrestricted funds	16	170,064	168,406
Restricted funds	17	7,057	7,057
Total charity funds		177,121	175,463

The financial statements on pages 10 to 18 were approved by the board of trustees on 28 October 2021 and were signed on its behalf by:



Kate Burns (Chairperson)
Trustee

Charity Registration number: 103892

Registered number: NI061218

The notes on pages 12 to 18 form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 July 2021

1 General information

Belfast Metropolitan College Trust is a charity that provides scholarship funding to students. The company is limited by guarantee and incorporated in Northern Ireland. The address of its registered office is 125-153 Millfield, Belfast, BT1 1HS.

2 Statement of Compliance

The individual financial statements of the Belfast Metropolitan College Trust have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102), and Charities SORP (FRS 102) 2019, the Charities Act (Northern Ireland) 2008 and the Companies Act 2006.

3 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared on the going concern basis under the historical cost convention.

The trustees have prepared the financial statements on the going concern basis, giving careful consideration to the results during the financial year. Taking account of the risk review undertaken by the Trustees they do not consider there to be a risk to the going concern status of the charity.

Belfast Metropolitan College Trust meets the definition of a public benefit entity under FRS 102. Certain comparative amounts in the financial statements have been reclassified to conform to changes in presentation in the current year. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Exemptions from qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the charity's trustees.

The charity has taken advantage of the following exemptions: the preparation of a statement of cash flows under FRS 102 paragraph 1.12(b).

c) Incoming resources

All incoming resources are recognised in the statement of financial activities in the year in which they are receivable. Grants received for capital expenditure are treated as restricted income and are released to the general fund over the expected useful lives of the assets to which they relate. When the restriction ceases to exist, the full remaining book value is transferred to unrestricted funds.

Voluntary income

Voluntary income is credited to revenue on a receivable basis. This includes legacies which are accounted for on receipt of correspondence from the personal representative indicating that payment of the legacy will be made. Gifts in kind are valued at a reasonable estimate of their value to the trust and gifts donated for resale are included as income when they are sold.

Activities for generating funds

Income is generated from fundraising events and is included in full in the Statement of Financial Activities on an accruals basis.

Notes to the financial statements for the year ended 31 July 2021

3 Accounting policies (continued)

Investment income

Investment income is included in full in the Statement of Financial Activities on an accruals basis.

d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable activities

Charitable expenditure comprises those costs incurred by the Trust in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to supply them. Support costs are allocated to their relevant activity based on the income received.

Cost of generating funds

Cost of generating funds includes investment management fees and services and are included in full in the Statement of Financial Activities on an accruals basis.

Governance costs

Governance costs include those incurred in the governance of its assets and are associated with constitutional statutory and strategic requirements.

e) Fund accounting

The Trust has two types of funds for which it is responsible and which require separate disclosure. A definition of the various types of funds is as follows:

Unrestricted funds

Funds which are expendable at the discretion of the Trust in furtherance of its objectives. In addition to expenditure on activities such funds may be held in order to finance capital investment and working capital.

Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and support costs.

Irrecoverable VAT

The Trust is not registered for VAT purposes, therefore expenditure is shown gross of VAT.

f) Investments

Investments are stated at mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are shown separately in the statement of financial activities.

g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Notes to the financial statements for the year ended 31 July 2021 (continued)

3 Accounting Policies (continued)

h) Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit). The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use.

Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of financial activities. If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of financial activities.

i) Financial instruments

The charity have chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of financial activities. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of financial activities.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures are initially measured at fair value. The quoted market value is used to determine fair value. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank overdrafts and other loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Notes to the financial statements for the year ended 31 July 2021

4 Critical Accounting Judgements and Estimation Uncertainty

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

Critical judgements in applying the entity's accounting policies

There are no critical judgements in applying the charity's accounting policies.

Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions.

5 Donations and voluntary income

	Unrestricted funds	Restricted funds	2021 Total	Unrestricted funds	Restricted funds	2020 Total
	£	£	£	£	£	£
Voluntary Income						
BMC in-kind contribution	2,251	-	2,251	2,171	-	2,171
Donations	125		125			
Grant Funding	10,000	-	10,000	-	-	-
	12,376	-	12,376	2,171	-	2,171

6 Investment income

	Unrestricted funds	Restricted funds	2021 Total	Unrestricted funds	Restricted funds	2020 Total
	£	£	£	£	£	£
Investment income						
Treasury stock interest	188	-	188	213	-	213
	188	-	188	213	-	213

The Investments held by the Trust are listed shares/securities held in an investment fund.

7 Cost of generating funds

	Unrestricted funds	Restricted funds	2021 Total	Unrestricted funds	Restricted funds	2020 Total
	£	£	£	£	£	£
BMC in-kind costs	2,251	-	2,251	2,171	-	2,171
Other costs	10,443	-	10,443	17,378	-	17,378
	12,694	-	12,694	19,549	-	19,549

Notes to the financial statements for the year ended 31 July 2021

8 Charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Student bursary awards	-	-	-	-	-	-
Student departmental awards	-	-	-	-	-	-
Student support projects	20,995	-	20,995	12,620	-	12,620
	20,995	-	20,995	12,620	-	12,620

9 Governance costs

	2021 £	2020 £
Fees paid to the company's auditors for the audit of the financial statements	2,184	1,820

10 Net outgoing resources before other recognised gains and losses

	2021 £	2020 £
Net outgoing resources:		
Fees paid to the company's auditors for the audit of the financial statements	2,184	1,820

11 Employee information

The Trust has no employees (2020: Nil).

12 Trustees' emoluments

The Trustees received no remuneration or reimbursement of expenses in respect of their services as a Trustee of the Trust (2020: £nil).

No indemnity insurance for Trustees' liability has been purchased by the Trust (2020: nil).

13 Taxation

The Trust is a registered charity and, as such, is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the Trust's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Trust is not registered for VAT and accordingly, its expenditure is inclusive of any VAT incurred.

Notes to the financial statements for the year ended 31 July 2021

14 Investments

	2021 £	2020 £
At 1 August	152,774	183,369
Revaluation gain on investments	24,967	(595)
Disposals	(30,000)	(30,000)
At 31 July	147,741	152,774

Investments included in the above with a market value greater than 5% of the total portfolio market value at 31 July are as follows:

	2021 £	2021 %	2020 £	2020 %
Fidelity Investments	147,741	100	152,774	100

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	4,387	1,900
Amounts owed to Parent Company	7,898	
	12,285	1,900

Amounts owed to parent undertakings are unsecured, interest free and repayable on demand.

16 Unrestricted funds

	2021 £	2020 £
At 1 August	168,406	200,606
Net incoming resources for the financial year	1,658	(32,200)
At 31 July	170,064	168,406

17 Restricted funds

	Balance at 1 August 2020 £	Movement in funds Income Expenditure		Balance at 31 July 2021 £
Scott Lowry Fund	3,057	-	-	3,057
KQM Services Ltd Bursary	4,000	-	-	4,000
Total	7,057	-	-	7,057

The Scott Lowry Fund was created following the death of Scott Lowry a former student of the College. The award is made annually to the best student in Multi Media/Graphic Design Studies.

The KQM Services Ltd Bursary was created as an Electrical and Electronic Engineering Bursary. Due to Covid-19 restrictions no bursaries were awarded in 2020/21.

Notes to the financial statements for the year ended 31 July 2021

17 Restricted funds (continued)

	Balance at 1 August 2019 £	Movement in funds		Balance at 31 July 2019 £
		Income £	Expenditure £	
Scott Lowry Fund	3,057	-	-	3,057
KQM Services Ltd Bursary	4,000	-	-	4,000
Total	7,057	-	-	7,057

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Investments	147,741	-	147,741	152,774	-	152,774
Net current assets	22,323	7,057	29,380	15,632	7,057	22,689
	170,064	7,057	177,121	168,406	7,057	175,463

19 Liability of members

Belfast Metropolitan College Trust is a company limited by guarantee and does not have a share capital. It is governed by its Memorandum and Articles of Association. The liability of members is limited to an amount not exceeding £1. The number of members at 31 July 2021 was one (2020: one).

20 Related party transactions

During the year, the charity's parent company, Belfast Metropolitan College, provided administrative services such as finance support and administrative supports. These services were gifted in kind to the charity and amounted to £2,251 (2020: £2,171)

Amounts owed to the charity's parent company at the year end were £7,898 (2020: £nil).

No other related party transactions were noted.

21 Ultimate controlling party

Belfast Metropolitan College (BMC) provided administrative services such as human resources, secretarial support and accommodation to the Trust. The charity has availed of the exemption under FRS 102 section 22, paragraph 22.1A in relation to the disclosure of transactions with group companies as all of the voting rights are controlled within the group.

The ultimate controlling party is Belfast Metropolitan College, registered address Titanic Campus, 7 Queens Road, Belfast, BT3 9DT. It is a Non Departmental Public Body which provides further and higher education services.