

5250-EX

RSD

**REGISTERED CHARITY NUMBER: 1056606**

**Report of the Trustees and Financial Statements for the Year Ended  
31 August 2020  
for  
South West Ministry Training Course**

Haines Watts Exeter LLP  
3 Southernhay West  
Exeter  
Devon  
EX1 1JG

**South West Ministry Training Course  
Contents of the Financial Statements  
For the Year Ended 31 August 2020**

---

	<b>Page</b>
Report of the Trustees	1 - 5
Report of the Independent Auditors	6 - 7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 – 20

**South West Ministry Training Course  
Report of the Trustees  
For the Year Ended 31 August 2020**

---

The trustees present their report with the financial statements of the Charity for the year ended 31 August 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' Issued in January 2015.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**  
1056606

**Registered office**  
Riverside Centre  
13-14 Okehampton Street  
Exeter  
Devon  
EX4 1DU

**Trustees**

The Revd Canon Graham Thompson	Resigned 31.8.20
The Rt Revd Robert Atwell	
The Rt Revd Nicholas McKinnel (Chair)	
The Revd Preb. Philip Sourbut	
The Ven Dr Mark Butchers	
The Revd Professor Morwenna Ludlow	
The Rt Revd Philip Mounstephen	
The Revd Elly Sheard	
The Revd Lionel Stock	Appointed on 07.07.20
The Rt Revd Hugh Nelson	Appointed on 16.11.20
Mr Charles Millis	Appointed on 16.11.20
Dr Jonathan Curtis	Appointed on 18.1.21
Mrs Rachel Mitchell	

**Auditors**

Haines Watts Exeter LLP  
3 Southernhay West  
Exeter  
Devon  
EX1 1JG

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure and governing document**

The main activity of the Charity since its incorporation on 20 June 1995 has been the provision of theological education and training for Christian ministries in the South West, candidates being presented by the participating churches. The Charity also provides open-access theological education, and supports research. The Charity is a registered charity (number 1056606.)

The company was converted to a Charitable Incorporated Organisation (CIO) on 20 February 2020 and is now governed by a foundation trust deed. In the event of winding up, every member of the Board is liable to contribute a sum not exceeding £10 towards the debts and liabilities of the Charity and the costs, charges and expenses of winding up.

New trustees are provided with a full induction to the Charity and training is provided where required.

**South West Ministry Training Course  
Report of the Trustees  
For the Year Ended 31 August 2020**

---

The trustees are empowered to manage the strategic business of the Charity, to exercise all the powers of the Charity and to appoint a Principal, to be responsible for the everyday operations of the Charity.

The trustees have established finance and staffing committees to advise the board.

**Risk management**

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The opportunities and uncertainties created by developments in regional patterns of training are continuously monitored by the Charity through its contacts with church leaders.

The trustees and members of the board have implemented a risk review procedure in order to be aware of the levels of risks and their impact on operations. This involves identifying the type of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The main risk identified concerned lack of control over student numbers. The procedure is managed and kept under review by the Finance Committee.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The South West Ministry Training Course's vision is to deliver ministerial formation that is Christ-centred, world-engaging, rooted in local communities, and involves lay and ordained working generously and collaboratively together. It seeks to achieve this vision through an integrated academic and formational curriculum cultivating adventurous faith, missional hope and grounded love.

We hope to have 22 ordination students, 20 reader trainees, 25 Foundations in Christian Ministry students and 45 curates each year in order to provide financial stability within present staff resources. These levels of recruitment are outside our control and we have to adopt a flexible strategy in order to react to the changing patterns of recruitment and selection by the churches.

We offer theological education to members of the public and numbers of these students are steady. We are seeking to market these modules more actively.

Our relationships with the Anglican dioceses of the South West are developing and deepening.

**Public benefit**

The trustees have concluded that the Charity has met the Public Benefit requirements because:-

1. the benefit that arises from the Charity's aims are that:
  - (a) the Charity is able to advance the Christian religion by the promotion of theological education, training and research.
  - (b) the Charity is able to contribute to the advancement and promotion of the Christian religion.
2. the Charity's aims intend to benefit the public generally.
3. there are no restrictions on who can have the opportunity to benefit (bursaries are available); and
4. nobody receives any private benefit from the Charity.

The trustees have complied with the duty in the Charities Act 2011. They have had due regard to the guidance published by the Charity Commission in the Public Benefit Statement.

**South West Ministry Training Course  
Report of the Trustees  
For the Year Ended 31 August 2020**

---

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The income of the company is derived mainly from fees charged to sponsoring churches for tuition provided to ordination candidates and others engaged in ministerial training.

A very significant movement has been forged in our relationship with the dioceses in forming new ways of working with regional co-operation and development.

Income for the year totalled £446,368 (2019 - £463,865). Expenditure for the year totalled £378,121 (2019 - £415,455).

**Formational Programmes**

We trained 50 students from the Diocese of Exeter on our Level 3 Foundations in Christian Ministry Course. There were 6 Readers in training from the Diocese of Exeter and 3 Readers in Training from the Diocese of Truro. We trained 18 ordinands from both dioceses, with 6 leaving at the end of the academic year to be ordained deacon. SWMTC runs Initial Ministerial Education Phase 2 for the Exeter Diocese, with a total of 42 curates, including 14 new curates in 2019.

**Academic Quality Assurance**

The final version of the report of the Periodic External Review (PER) of SWMTC's formation was received in autumn 2019. The PER is a joint exercise by the Church of England's Ministry Division and the University of Durham. The report commended SWMTC's supportive community life and pastoral care of students, the strong ethos of teaching and support for adult learners and our plans for the new curriculum. During 2019-20 we began responding to the recommendations in the report.

**New Formation Programmes**

During 2019-20 we implemented an innovative new curriculum for both ordinands and Readers in training based upon the Lord's Prayer, Nicene Creed and Magnificat.

**Sustainability**

As a result of a lot of hard work and focussed management, we are able to celebrate a third year of budget surplus after many years of increasing deficits. The Board has adopted a Business Plan which states its 'firm intention not to operate with a budget deficit in the future'.

**Staff**

In April 2019 we interviewed for a full-time Principal and Revd Dr Mark Butchers was appointed to begin in post from September 2020 onwards when Revd Dr Jonathan Rowe and Revd Preb Philip Sourbut stepped down as Joint-Principals.

**Organisation**

In 2019-20 we decided to change from Joint Principals to a single full-time Principal. Revd Dr Jonathan Rowe and Revd Preb Philip Sourbut (the two Diocesan Directors of Mission and Ministry) served as Joint-Principals for three years, bringing significant and vital changes to the organisation. We owe them a huge debt of thanks.

**Covid-19**

Covid-19 meant that all our teaching needed to go online from March 2020 onwards. This was a huge challenge which the SWMTC staff rose to magnificently. We were able to maintain our high standard of teaching throughout the year, and some students found attendance easier without having to travel long distances. Nonetheless we look forward to the time when we can resume our weekend residentials and the face to face community life which is so important to formation. The key reason for the significant surplus of income over expenditure in 2019-20 was the lack of residential weekend and Lent School costs. That has helped put SWMTC onto a firmer financial footing.

**South West Ministry Training Course  
Report of the Trustees  
For the Year Ended 31 August 2020**

---

**Safeguarding**

Safeguarding is a prominent concern throughout the organisation and there is an opportunity to review the policy and discuss pertinent issues at each Board meeting. During 2019-20, we improved the communication of our safeguarding policies and procedures to the students.

Overall, SWMTC continues to be in good shape and looking forward to the future.

**FINANCIAL REVIEW**

**Reserves policy**

Any surplus of income over expenditure is retained to enable the company to pursue its objectives. Reserves are held for the following purposes:

- to cover unexpected shortfalls in income arising from lower student numbers compared to projections;
- to ensure that funds are available to meet the legal employment entitlements of Charity staff;
- to enable the Charity to meet emergency calls arising from property damage or equipment failures;
- to enable the Charity to cover expenditure during the time that it would take to adjust to a major change resulting from external and irresistible forces.

The policy of the Charity is to hold in the general reserve sufficient funds to cover not less than three months of normal working expenditure.

At the year-end a total of £230,590 was held in reserves (2019 - £107,676). The level of reserves is considered to be adequate.

**Plans for future periods**

The Charity's objects for the future are to make a surplus in order that the Charity's reserves can be augmented and maintained in accordance with the reserves policy.

**Investment policy and objectives**

It is the policy of the company to maximise investment income while minimising risk and to ensure that all investments are strictly ethical.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

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

Charities 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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the trustees are required to

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

**South West Ministry Training Course  
Report of the Trustees  
For the Year Ended 31 August 2020**

---

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information of which the Charity's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the Charity's auditors are aware of that information.

**AUDITORS**

The auditors, Haines Watts Exeter LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the Board of Trustees on 18<sup>th</sup> January 2021 and signed on its behalf by:



The Rt Revd Nicholas McKinnel – Chair of Trustees

**Report of the Independent Auditors to the Trustees of  
South West Ministry Training Course  
For the Year Ended 31 August 2020**

---

**Opinion**

We have audited the financial statements of South West Ministry Training Course for the year ended 31 August 2020 on pages seven to twenty. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standard. (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 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

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 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 charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.



**Report of the Independent Auditors to the Trustees of  
South West Ministry Training Course  
For the Year Ended 31 August 2020**

---

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity 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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page four, the trustees 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.

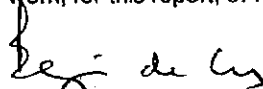
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy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

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 1443 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Benjamin de Cruz BA FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Exeter LLP, Statutory Auditors  
3 Southernhay West  
Exeter  
Devon  
EX1 1JG

Date: 18/1/21

**South West Ministry Training Course**  
**Statement of Financial Activities**  
**For the year ended 31 August 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Investment income	2	1,435	-	1,435	1,110
Incoming resources from charitable activities	3	444,933	-	444,933	462,755
		<u>446,368</u>	<u>-</u>	<u>446,368</u>	<u>463,865</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	4	366,415	(3,667)	362,748	404,707
Governance costs	5	9,706	-	9,706	10,748
		<u>376,121</u>	<u>(3,667)</u>	<u>372,454</u>	<u>415,455</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		70,247	3,667	73,914	48,410
<b>Other recognised gains/(losses)</b>					
Gains on investment assets		-	-	-	-
Actuarial gains/(losses) on defined benefit schemes		-	49,000	49,000	(18,000)
		<u>70,247</u>	<u>52,667</u>	<u>122,914</u>	<u>30,410</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		172,668	(84,992)	107,676	77,266
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>242,915</u>	<u>(12,325)</u>	<u>230,590</u>	<u>107,676</u>
<b>OTHER COMPREHENSIVE INCOME</b>					
Net incoming/(outgoing) resources for the year		70,247	52,667	122,914	30,410
Other comprehensive incoming/(outgoing) resources		-	-	-	-
<b>Total comprehensive net incoming/(outgoing) resources</b>		<u>70,247</u>	<u>52,667</u>	<u>122,914</u>	<u>30,410</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

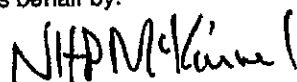
**South West Ministry Training Course  
Balance Sheet  
As at 31 August 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	1,976	-	1,976	1,981
Investments		-	-	-	-
		<u>1,976</u>	<u>-</u>	<u>1,976</u>	<u>1,981</u>
<b>CURRENT ASSETS</b>					
Debtors	11	1,359	-	1,359	4,079
Cash at bank and in hand		250,805	3,008	253,813	183,737
		<u>252,164</u>	<u>3,008</u>	<u>255,172</u>	<u>187,816</u>
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	12	(11,225)	-	(11,225)	(14,121)
		<u>240,939</u>	<u>3,008</u>	<u>243,947</u>	<u>173,695</u>
<b>NET CURRENT ASSETS</b>					
		<u>242,915</u>	<u>3,008</u>	<u>245,923</u>	<u>175,676</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>242,915</u>	<u>3,008</u>	<u>245,923</u>	<u>175,676</u>
<b>PENSION LIABILITY</b>					
	18	-	(15,333)	(15,333)	(68,000)
		<u>242,915</u>	<u>(12,325)</u>	<u>230,590</u>	<u>107,676</u>
<b>NET ASSETS</b>					
		<u>242,915</u>	<u>(12,325)</u>	<u>230,590</u>	<u>107,676</u>
<b>FUNDS</b>					
	14				
Unrestricted funds				242,915	172,668
Restricted funds				3,008	3,008
Pension fund				(15,333)	(68,000)
				<u>230,590</u>	<u>107,676</u>
<b>TOTAL FUNDS</b>					
				<u>230,590</u>	<u>107,676</u>

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for FRS 102

The financial statements were approved by the Board of Trustees on 18<sup>th</sup> January 2021 and were signed on its behalf by:



The Rt. Revd. Nicholas McKinnel – Chair of Trustees

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

---

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of certain investments.

These financial statements are presented in Sterling (£) which is the functional currency of the company and rounded to the nearest £.

### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office furniture	- straight line over 5 years
Computer equipment	- straight line over 3 years

### **Taxation**

The Charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Pension costs and other post-retirement benefits**

The charity participates in two defined contribution pension schemes. Full details of these schemes are provided in Note 18.

### **Library**

No monetary value is attributed to the library and all expenditure is written off to the Income and expenditure account.

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

**2. INVESTMENT INCOME**

	2020 £	2019 £
Deposit account interest	1,435	1,110
Other interest	-	-
	<u>1,435</u>	<u>1,110</u>

**3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	2020 £	2019 £
Independent students	12,170	24,170
Miscellaneous income	755	810
Ordinands	112,104	133,914
St Luke's College Foundation	33,090	46,170
Diocesan service contracts	286,814	257,691
	<u>444,933</u>	<u>462,755</u>

**4. CHARITABLE ACTIVITIES COSTS**

	2020 £	2019 £
Academic costs	14,142	10,815
Employment costs	245,492	266,862
Establishment costs	46,292	40,073
Encountering Theology	60,489	92,707
Bad debt	-	250
	<u>366,415</u>	<u>410,707</u>

**5. GOVERNANCE COSTS**

	2020 £	2019 £
Trustees' expenses	-	151
Auditors' remuneration	2,654	2,564
Accountancy fees	4,726	5,440
Professional fees	2,326	2,593
	<u>9,706</u>	<u>10,748</u>

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

---

**6. NET INCOMING/OUTGOING RESOURCES**

Net resources are stated after charging:

	2020 £	2019 £
Depreciation - owned assets	1,084	655
	<u>1,084</u>	<u>655</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

	2020 £	2019 £
Trustees' expenses	-	151
	<u>-</u>	<u>151</u>

**8. STAFF COSTS**

	2020 £	2019 £
Wages and salaries	176,718	184,463
Social security costs	10,164	13,099
Other pension costs	41,873	47,223
	<u>228,755</u>	<u>244,785</u>

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

	2020 £	2019 £
Staff	9	9
	<u>9</u>	<u>9</u>

No employees received emoluments in excess of £60,000.

**South West Ministry Training Course**  
**Notes to the Financial Statements**  
**For the Year Ended 31 August 2020**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds			
Investment income	1,110	-	1,110
Incoming resources from charitable activities	462,755	-	462,755
	<u>463,865</u>	<u>-</u>	<u>463,865</u>
<b>RESOURCES EXPENDED</b>			
Charitable activities	410,707	(6,000)	404,707
Governance costs	10,748	-	10,748
	<u>421,455</u>	<u>(6,000)</u>	<u>415,455</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	42,410	6,000	48,410
<b>Other recognised gains/(losses)</b>			
Gains on Investment assets	-	-	-
Actuarial gains/(losses) on defined benefit schemes	-	(18,000)	(18,000)
	<u>42,410</u>	<u>(12,000)</u>	<u>30,410</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	130,258	(52,992)	77,266
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>172,668</u>	<u>(64,992)</u>	<u>107,676</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
Net incoming/(outgoing) resources for the year	42,410	(12,000)	30,410
Other comprehensive incoming/(outgoing) resources	-	-	-
<b>Total comprehensive net incoming/(outgoing) resources</b>	<u>42,410</u>	<u>(12,000)</u>	<u>30,410</u>

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

**10. TANGIBLE FIXED ASSETS**

	Office furniture £	Computer equipment £	Total £
<b>Cost</b>			
At 1 September 2019	2,991	21,115	24,106
Additions	413	888	1,079
Disposals	-	-	-
At 31 August 2020	<u>3,404</u>	<u>21,781</u>	<u>25,185</u>
<b>Depreciation</b>			
At 1 September 2019	2,777	19,349	22,126
Charge for the year	132	952	1,084
Eliminated on disposal	-	-	-
At 31 August 2020	<u>2,909</u>	<u>20,301</u>	<u>23,210</u>
<b>Net Book Value</b>			
At 31 August 2020	<u>495</u>	<u>1,480</u>	<u>1,975</u>
At 31 August 2019	<u>214</u>	<u>1,766</u>	<u>1,980</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other debtors	1,358	4,079
	<u>1,358</u>	<u>4,079</u>



**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	56	326
Taxation and social security	3,379	4,089
Other creditors	7,790	9,706
	<u>11,225</u>	<u>14,121</u>

**13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
Fixed assets	1,976	-	1,976	1,981
Current assets	252,164	3,008	255,172	187,816
Current liabilities	(11,225)	-	(11,225)	(14,121)
Pension liability	-	(15,333)	(15,333)	(88,000)
	<u>242,915</u>	<u>(12,325)</u>	<u>230,590</u>	<u>107,676</u>

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

**14. MOVEMENT IN FUNDS**

	At 01.09.2019 £	Net movement in funds £	At 31.08.2020 £
<b>Unrestricted funds</b>			
General and designated funds	172,668	70,247	242,915
<b>Restricted funds</b>			
Restricted fund	3,008	-	3,008
Pension fund	(68,000)	52,667	(15,333)
<b>TOTAL FUNDS</b>	<u>107,676</u>	<u>122,914</u>	<u>230,590</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Movement in funds £
<b>Unrestricted funds</b>				
General and designated funds	446,368	(376,121)	-	70,247
<b>Restricted funds</b>				
Restricted fund	-	-	-	-
Pension fund	-	52,667	-	52,667
	<u>446,368</u>	<u>(323,454)</u>	<u>-</u>	<u>122,914</u>

**15. FINANCIAL COMMITMENTS**

At 31 August 2020 the charity had total commitments under non-cancellable operating leases over the remaining life of those leases of £18,266 (2019 - £36,618).

**16. RELATED PARTY DISCLOSURES**

The trustees have completed Declaration of Interest forms and have considered whether there have been any transactions with related parties that should be disclosed. They have concluded that there have been no such transactions.

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

---

**17. MEMBERS' LIABILITY**

In the event of winding up, every member of the Board is liable to contribute a sum not exceeding £10 towards the debts and liabilities of the charity and the cost, charges and expenses of winding up.

**18. PENSION AND OTHER POST-RETIREMENT BENEFITS**

**Church Workers Pension Fund (CWPF)**

South West Ministry Training Course (SWMTC) (PB Classic) participates in the Pension Builder Scheme section of the CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable of £13,067 (2019: £13,538).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2016. This revealed, on the ongoing assumptions used, a deficit of £14.2m. Employers have not been asked to make up any shortfall in PB Classic in the past and the Pensions Board expects to be able to continue this practice.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits.

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

---

**Church of England Funded Pension Fund (CEFPS)**

South West Ministry Training Course participates in the Church of England Funded Pension Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the SoFA in the year are contributions payable towards benefit and expenses accrued in that year plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumption:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA\_VL tables, with allowance for improvements in mortality rates in line with the CM2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

**South West Ministry Training Course  
Notes to the Financial Statements  
For the Year Ended 31 August 2020**

**Church of England Funded Pension Fund (CEFPS)**

The deficit recovery contributions payable under the recovery plan in force from 31 December 2017, to 31 December 2022 were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2020	2019
	£	£
Balance sheet liability at 1 September	68,000	56,000
Deficit contribution paid	(4,667)	(7,000)
Interest cost (recognised in SoFA)	1,000	1,000
Remaining change to the balance sheet liability* (recognised in SoFA)	(49,000)	18,000
Balance sheet liability at 31 August	15,333	68,000

\*Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2019	December 2018	December 2017
Discount rate	1.1% pa	2.1% pa	1.4% pa
Price inflation	2.8% pa	3.1% pa	3.0% pa
Increase to total pensionable payroll	1.3% pa	1.6% pa	1.5% pa

The legal structure of the scheme is such that if another Responsible Body fails, South West Ministerial Training Course could become responsible for paying a share of that Responsible Body's pension liabilities.

