

REGISTERED CHARITY NUMBER: 1056606

**Report of the Trustees and Financial Statements for the Year Ended
31 August 2023
for
South West Ministry Training Course**

Haines Watts (Western) Limited
3 Southernhay West
Exeter
Devon
EX1 1JG

**South West Ministry Training Course
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For the Year Ended 31 August 2023**

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**South West Ministry Training Course
Report of the Trustees
For the Year Ended 31 August 2023**

The trustees present their report with the financial statements of the Charity for the year ended 31 August 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1056606

Registered office

Riverside Church & Conference Centre
13-14 Okehampton Street
Exeter
Devon
EX4 1DU

Trustees

The Rt Rev'd Robert Atwell	
Rev'd Preb Philip Sourbut	Resigned: 30/06/2023
Rev'd Canon Prof. Morwenna Ludlow	
Rev'd Eleanor Sheard	Resigned: 04/07/2023
The Rt Rev'd Philip Mounstephen	
Sally Piper	
The Rt Rev'd Hugh Nelson	
Dr Jonathan Curtis	
Charles Mills	
Rachel Mitchell	Resigned: 04/07/2023
Hamish Adam	
 The Rt. Revr'd James Grier	 Appointed: 04/07/2023

Auditors

Haines Watts (Western) Limited
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.

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Report of the Trustees
For the Year Ended 31 August 2023**

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 HR 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, which we call Theology for Living, through an integrated academic and formational curriculum cultivating adventurous faith, missional hope and grounded love.

In recent years our hope is to have 22 ordination students, 20 LLM (Reader) trainees, 25 Foundations in Christian Ministry students and 45 curates each year in order to provide financial stability within present staff resources. However, 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, but the numbers of these students were lower in 2022-23. We are seeking to market these modules more actively.

Our relationships with the Anglican dioceses of the South West are strong.

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; and
 - 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.

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Report of the Trustees
For the Year Ended 31 August 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The income of the charity is derived mainly from fees charged to sponsoring churches for tuition provided to ordination candidates, Licensed Lay Ministers (Readers) in training and others engaged in ministerial training. We work closely with our local dioceses of Truro and Exeter, and look forward to closer partnership with St Mellitus South West through the South West Training Partnership Board.

Income for the year totalled £421,184 (2022 - £461,261). Expenditure for the year totalled £402,659 (2022 - £419,499).

Student numbers

We trained 25 students from the Diocese of Exeter on our Level 3 Foundations in Christian Ministry Course. There were 16 LLMs (Readers) in training from the Diocese of Exeter and 6 LLMs (Readers) in Training from the Diocese of Truro. We trained 16 ordinands from both dioceses, with 8 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 45 curates, including 15 new curates in 2022.

Academic Quality Assurance

The External Examiner for 2022-23 was well satisfied with our students' work and levels of attainment which he found comparable to that at other institutions; our marking was 'secure, moderated well, and falls in line with the Assessment Criteria'. He felt that our students had 'been guided well in their studies in order to achieve solid results'.

Formation Programmes

During 2022-23, we adapted our Reflective Practice Seminar topics in the light of the previous year's experience and further strengthened our induction programme. We also reviewed the structure of our residential weekends with a view to changes from September 2023 onwards.

Sustainability

As a result of a lot of hard work and focussed management, we are able to celebrate a sixth 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'. In 2022-23 we completed a Vision and Marketing review, which led to our new strapline "Theology for Living" and a new logo. We also began to develop a communications and marketing strategy, including employing a Communications Officer for 3 hours per week, who will revise our publicity material and website.

Staff

Dr John Ievins joined SWMTC in September 2022 as Tutor for LLMs in the Truro Diocese. Revd Hannah Mears took over from Revd Dave Carrington as Director of Lay Training for Exeter Diocese in April 2023. Revd Dr Lucy Larkin took over as Principal from Revd Dr Mark Butchers in August 2023. Fiona Lang became Communications Officer in July 2023. Revd Lisa Coupland became our Operations Manager in August 2023, largely fulfilling the role of our Training Co-ordinator and Administrator, Rev Belinda Speed-Andrews, who moved overseas. Elaine Cook and David Harwood joined SWMTC as voluntary LLM support tutors in January and August 2023 respectively. To reduce costs, we also made our Finance Officer, Sharon Gove redundant, outsourcing bookkeeping and covering other work inhouse. There were no other staffing changes during 2022-23.

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Report of the Trustees
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Organisation

There were no changes to the organisational structure of SWMTC in 2022-23. The Exeter and Truro Dioceses initiated a review of their ministry and training needs during the year. The outcome of this will involve organisational changes from September 2024. We revised and updated all our Policy documents in 2022-23.

Safeguarding

Safeguarding continues to take a very high priority at SWMTC. The Revd Belinda Speed-Andrews served as one of our two staff Safeguarding Officers throughout the year. The Revd Dave Carrington served as the other Officer until the end of March 2023 when Elaine Cook took over from him. The Safeguarding Officers and the Principal all completed the National Leadership Pathway training during the course of the year. We ensure that our students attend the relevant safeguarding training and weave safeguarding into the academic teaching, particularly the pastoral and reflective practice modules.

Overall, despite uncertainty relating to the Diocesan review and staff sickness, 2022-23 was a good year for SWMTC academically, formationally and financially.

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 £404,772 (2022 - £389,255) was held in reserves. 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

**South West Ministry Training Course
Report of the Trustees
For the Year Ended 31 August 2023**

- 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.

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

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as Charity trustees

AUDITORS

The auditors, Haines Watts (Western) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the Board of Trustees on 23 April 2024 and signed on its behalf by:



The Rt Rev'd Hugh Nelson – Chair of Trustees

**Report of the Independent Auditors to the Trustees of
South West Ministry Training Course
For the Year Ended 31 August 2023**

Opinion

We have audited the financial statements of South West Ministry Training Course for the year ended 31 August 2023 which comprise Statement of Financial Activities, 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 charity's affairs as at 31 August 2023 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 Charities Act 2011.

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 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

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 charity'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 trustee's annual report, other than the financial statements and our Report of the Independent Auditors 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.

**Report of the Independent Auditors to the Trustees of
South West Ministry Training Course
For the Year Ended 31 August 2023**

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 trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charity for the purposes of 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

The objectives of our audit 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 the auditor's opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with International Standards on Auditing (UK) (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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

1. We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: The Charities Commission, UK GAAP, Occupational Health and Safety regulations, Employment Law, Data Protection Act and GDPR.
2. We obtained an understanding of how the charity are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.
3. We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

**Report of the Independent Auditors to the Trustees of
South West Ministry Training Course
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- 3.1. Identifying and assessing the controls management has in place to prevent and detect fraud;
- 3.2. Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- 3.3. Challenging assumptions and judgments made by management in its significant accounting estimates and judgments, in particular in relation to accruals and prepayments;
- 3.4. Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- 3.5. Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions.

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. This description forms part of our Report of the Auditors.

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 (Western) Limited, Statutory Auditors
3 Southernhay West
Exeter
Devon
EX1 1JG

Date: 23 April 2024

**South West Ministry Training Course
Statement of Financial Activities
For the year ended 31 August 2023**

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
INCOMING RESOURCES				
Incoming resources from generated funds				
Investment income	1,154	-	1,154	2,258
Incoming resources from charitable activities	420,030	-	420,030	459,003
Total incoming resources	<u>421,184</u>	<u>-</u>	<u>421,184</u>	<u>461,261</u>
RESOURCES EXPENDED				
Charitable activities	385,593	-	385,593	407,212
Governance costs	17,066	-	17,066	12,287
Total resources expended	<u>402,659</u>	<u>-</u>	<u>402,659</u>	<u>419,499</u>
NET INCOMING/(OUTGOING) RESOURCES	18,525	-	18,525	41,762
Other recognised gains/(losses)				
Losses on investment assets	(3,008)	-	(3,008)	-
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	15,517	-	15,517	41,762
Total funds brought forward	386,247	3,008	389,255	347,493
TOTAL FUNDS CARRIED FORWARD	<u>401,764</u>	<u>3,008</u>	<u>404,772</u>	<u>389,255</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 2023**

	Unrestricted fund	Restricted fund	2023 £	2022 £
FIXED ASSETS				
Tangible assets	3,925	-	3,925	2,456
Investments	-	-	-	-
Total fixed assets	<u>3,925</u>	<u>-</u>	<u>3,925</u>	<u>2,456</u>
CURRENT ASSETS				
Debtors	1,997	-	1,997	(575)
Cash at hand and in bank	414,029	3,008	417,037	403,767
Total current assets	<u>416,026</u>	<u>3,008</u>	<u>419,037</u>	<u>403,192</u>
CURRENT LIABILITIES				
Creditors: amounts falling due within one year	(18,187)	-	(18,187)	(16,393)
NET CURRENT ASSETS	<u>397,839</u>	<u>3,008</u>	<u>400,847</u>	<u>386,799</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	401,764	3,008	404,772	389,255
PENSION LIABILITY	-	-	-	-
NET ASSETS	<u>401,764</u>	<u>3,008</u>	<u>404,772</u>	<u>389,255</u>
FUNDS				
Unrestricted funds			401,764	386,247
Restricted funds			3,008	3,008
Pension fund			-	-
Total Charity funds			<u>404,772</u>	<u>389,255</u>

The financial statements were approved by the Board of Trustees on 23 April 2024 and were signed on its behalf by:



The Rt. Rev'd. Hugh Nelson – Chair of Trustees

**South West Ministry Training Course
Notes to the Financial Statements
For the Year Ended 31 August 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

South West Ministry Training Course is a Charity incorporated in England. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to deliver ministerial formation.

The charity constitutes a public benefit entity as defined by FRS 102. 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 applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant 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.

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.

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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.

Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Judgements and key sources of estimation uncertainty

The accounts contain significant judgements and estimates as follows:

Accruals and prepayments which are based on information available at the time of the audit.

Depreciation which is based on the directors best estimate of the life of each asset class.

2. INVESTMENT INCOME

	2023 £	2022 £
Deposit account interest	1,154	2,258
Other interest	-	-
	<u>1,154</u>	<u>2,258</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Anglican student fees	153,163	177,720
Miscellaneous income	6,586	123
Diocese of Exeter Service Contracts	260,281	281,160
	<u>420,030</u>	<u>459,003</u>

**South West Ministry Training Course
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4. CHARITABLE ACTIVITIES COSTS

	2023	2022
	£	£
Academic costs	10,185	11,326
Employment costs	253,503	275,923
Establishment costs	32,878	31,989
Encountering Theology	89,027	87,974
Other	-	-
	<u>385,593</u>	<u>407,212</u>

5. GOVERNANCE COSTS

	2023	2022
	£	£
Trustees' expenses	42	-
Auditors' remuneration	5,808	2,970
Accountancy and professional fees	11,216	9,317
	<u>17,066</u>	<u>12,287</u>

6. NET INCOMING RESOURCES

Net resources are stated after charging:

	2023	2022
	£	£
Depreciation - owned assets	900	1,208
	<u> </u>	<u> </u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

**South West Ministry Training Course
Notes to the Financial Statements
For the Year Ended 31 August 2023**

	2023 £	2022 £
Trustees' expenses	42	-
	<u>42</u>	<u>-</u>

8. STAFF COSTS

	2023 £	2022 £
Wages and salaries	203,167	222,082
Social security costs	12,364	13,315
Other pension costs	28,564	44,858
	<u>244,095</u>	<u>280,255</u>

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

	2023 £	2022 £
Staff	8	10
	<u>8</u>	<u>10</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 2023

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
INCOMING RESOURCES				
Incoming resources from generated funds				
Investment income	2	2,258	-	2,258
Incoming resources from charitable activities				
	3	459,003	-	459,003
		<u>461,261</u>	<u>-</u>	<u>461,261</u>
RESOURCES EXPENDED				
Charitable activities	4	411,545	(4,333)	407,212
Governance costs	5	12,287	-	12,287
		<u>423,832</u>	<u>(4,333)</u>	<u>419,499</u>
NET INCOMING RESOURCES		37,429	4,333	41,762
Other recognised gains/(losses)				
Gains on investment assets		-	-	-
Actuarial gains/(losses) on defined benefit schemes		-	-	-
		<u>37,429</u>	<u>4,333</u>	<u>41,762</u>
RECONCILIATION OF FUNDS				
Total funds brought forward		348,818	(1,325)	347,493
TOTAL FUNDS CARRIED FORWARD		<u>386,247</u>	<u>3,008</u>	<u>389,255</u>
OTHER COMPREHENSIVE INCOME				
Net incoming resources for the year		37,429	4,333	41,762
Other comprehensive incoming/(outgoing) resources		-	-	-
Total comprehensive net incoming resources		<u>37,429</u>	<u>4,333</u>	<u>41,762</u>

South West Ministry Training Course
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10. TANGIBLE FIXED ASSETS

	Office Furniture £	Computer Equipment £	Total £
Cost			
Cost b/f	5,652	10,746	16,398
Additions	268	2,101	2,369
Disposals	-	-	-
Cost c/f	<u>5,920</u>	<u>12,847</u>	<u>18,767</u>
Depreciation			
Depreciation b/f	3,524	10,418	13,942
Charge for the year	578	322	900
Eliminated on disposal	-	-	-
Depreciation c/f	<u>4,102</u>	<u>10,740</u>	<u>14,842</u>
Net Book Value			
Net book value carried forward	<u>1,818</u>	<u>2,107</u>	<u>3,925</u>
Net book value brought forward	<u>2,128</u>	<u>328</u>	<u>2,456</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	117	(2,034)
Other debtors	1,880	1,459
	<u>1,997</u>	<u>(575)</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	1,627	5
Taxation and social security	5,303	5,510
Other creditors	11,258	10,878
	<u>18,187</u>	<u>16,393</u>

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13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Fixed assets	3,925	-	3,925	2,456
Current Assets	416,026	3,008	419,034	403,192
Current Liabilities	(18,187)	-	(18,187)	(16,393)
	<u>401,764</u>	<u>3,008</u>	<u>404,772</u>	<u>389,255</u>

14. MOVEMENT IN FUNDS

	At 01/09/2022 £	Net movement in funds £	At 31/08/2023 £
Unrestricted funds			
General and designated funds	386,247	15,517	401,764
Restricted funds			
Restricted fund	3,008	-	3,008
Pension fund	-	-	-
TOTAL FUNDS	<u>389,255</u>	<u>15,517</u>	<u>404,772</u>

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

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Movement in funds £
Unrestricted funds				
General and designated funds	421,184	(402,659)	(3,008)	15,517
Restricted funds				
Restricted fund	-	-	-	-
Pension fund	-	-	-	-
	<u>421,184</u>	<u>(402,659)</u>	<u>(3,008)</u>	<u>15,517</u>

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15. FINANCIAL COMMITMENTS

At 31 August 2023 the charity had total commitments under non-cancellable operating leases over the remaining life of those leases of £Nil (2022 - £16,760).

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.

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 participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means 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 the contributions payable of £9,407 (2022: £12,153).

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A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently under way.

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

Church of England Funded Pension Fund (CEFPS)

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

Each participating Responsible Body in the Church of England Funded Pensions 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 FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means 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 towards benefits and expenses accrued in that year plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £0.

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 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

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The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

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 FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2023	2022
	£	£
Balance sheet liability at 1 September	-	4,333
Deficit contribution paid	-	(4,333)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability at 31 August	-	-

*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. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2023	December 2022	December 2021
Discount rate	n/a	n/a	0.0% pa
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	-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 failed Responsible Body's pension liabilities.