

REGISTERED NUMBER - 04258802

EASTERN REGION MINISTRY COURSE
(a company limited by guarantee)

FINANCIAL STATEMENTS

For the year ended 31 July 2025

EASTERN REGION MINISTRY COURSE
(a company limited by guarantee)

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EASTERN REGION MINISTRY COURSE

TRUSTEES AND DIRECTORS

Revd Stuart William Batten
Revd Canon Dr Timothy Martin Bull
Revd Dr Michael Frederick Fox (resigned 22/11/2024)
Revd Timothy Edward Goodbody
Revd William Douglas Fitzgerald Gulliford
The Venerable Richard John StClair Harlow (Chair)
Professor Joyce Margaret Hill
Revd Dr Alexander Soenderup Jensen
Right Revd Dr Jane Frances Mainwaring
Revd Taurayi Theresa Musiwacho
The Revd Dr Julie Mary Norris (resigned 6/6/2025)
Mr Andrew John Roberts (resigned 31/8/2025)
The Revd Haydon Du Garde Spenceley

COMPANY SECRETARY

Revd Dr Alexander Soenderup Jensen

PRINCIPAL OFFICE

1a the Bounds
Westminster College
Lady Margaret Road
Cambridge
CB3 0BJ

BANKERS

Barclays Bank PLC
28 Chesterton Road
Cambridge
CB4 3AZ

AUDITORS

Chater Allan LLP
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU

REGISTERED NUMBER

04258802

CHARITY NUMBER

1090989

**EASTERN REGION MINISTRY COURSE
TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report)
FOR THE YEAR ENDED 31 JULY 2025**

Trustees and Directors Report

The Trustees and Directors of the Council are pleased to present their annual report for the year ended 31st July 2025 under the Charities Act 2011, together with the audited accounts for the period and confirm that the latter comply with the requirements of the Act, the memorandum and articles of association and the Charities SORP 2019.

Reference and Administrative Information

The Charity is registered with the Charity Commission under charity number 1090989 and is a company limited by guarantee, number 04258802. The registered office is 1a The Bounds, Westminster College, Lady Margaret Road, Cambridge, CB3 0BJ. Particulars of the Charity's Trustees, Council members and professional advisers are listed on Page 1.

Structure, Governance and Management

The Charity is a Limited Company and its Trustees are members of the Council. Staff, student and Cambridge Theological Federation representatives are in attendance at Council meetings but are not Trustees. The Council, which meets termly, receives reports on the progress of the Course from the Principal, staff, student reps, on financial matters from the Finance and General Purposes Committee and on safeguarding from the safeguarding lead.

The Finance and General Purposes Committee acts as an executive committee with the power to act on all day-to-day matters, with particular responsibility for the oversight of the ERM's financial affairs in accordance with legislative requirements, regulations and guidelines.

The Council is responsible for the submission of the annual financial statements and ensuring the Course maintains proper accounting records. The Finance and General Purposes Committee oversees these on a regular basis and reports to the Council. The Council is also responsible for safeguarding the assets of the Course and thereby taking reasonable steps to ensure the prevention and detection of fraud and irregularities.

The Council holds an annual away day, at which it reviews and develops strategy and priorities for the following year.

Most Council Members are nominated by stakeholders in accordance with the Articles of Association; these are then elected by the Annual General Meeting. The Council also has co-opted members, who bring expertise needed to the Council. These are identified and approached by the Chair and Principal, and then, after consultation and scrutiny proposed to the Council and elected.

We provide an induction pack and, if required, an induction session for new trustees.

Risk Management

The Council is responsible for the management of the risks faced by the Course. Risks are identified, assessed and controls established throughout the year.

A formal review of the charity's risk management processes is undertaken on an annual basis.

The Council is satisfied that the major risks identified have been adequately managed where necessary. It is recognised that control systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

EASTERN REGION MINISTRY COURSE TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 JULY 2025

Objectives and Activities

The Charity's Objectives are to advance the Christian religion through the provision of theological education and ministerial training to recognised candidates for ordained ministry in the Church of England, the Methodist Church, the United Reformed Church and in other mainstream Christian Churches and, where appropriate, for the preparation of suitable candidates for lay ministry.

The Course trains men and women for the ministry of the Churches of a region which includes the Anglican Dioceses of Ely, St Edmundsbury and Ipswich, Norwich, Peterborough, St Albans and Chelmsford. The Course also serves the Anglican Diocese in Europe.

Achievements and Performance

As expected, the number of ordinands nationally continued to be significantly lower than normal. This affected the intake of all Theological Education Institutions (TEIs). The 'Resourcing Ministerial Formation' (RMF) funding mechanism has mitigated against this partially. We were pleased that the increase in numbers of Reader/Licensed Lay Ministry (LLM) students in our partner dioceses continued. We had an intake of 15 new ordinands, 36 new Readers/LLMs in training and 2 new independent students. Our total student numbers were 45 ordinands, 58 Readers and LLMs in training and 8 independent students. 58 students were enrolled in the Foundations for Ministry Course, our non-accredited level 3 lay training course, which we run in partnership with the Dioceses of Ely and St Albans. This was the last year in which we ran the Foundations for Ministry Course as, due to changing priorities, Ely and St Albans will not enrol students any longer.

In May 2025 we received our five-yearly Periodic External Review, which is the main quality assurance measure for TEIs and conducted by the Church of England and Durham University. The reviewers visited ERMIC in May, attended a residential weekend and met students and other stakeholders. They also reviewed the LLM training courses of the dioceses of Ely, Europe, Norwich, St Edmundsbury and Ipswich, for which we provide the academic content. All courses were highly rated by the review team led by Dr Sally Buck. The reviewers were impressed by the high standard of teaching and learning and especially the sense of community and support. They singled out our provisions for students with Specific Learning Difficulties for praise. The report makes 19 commendations and then makes 28 recommendations which will help us to improve our already good practice. Among the areas commended are the diversity and quality of our community, the excellence of worship and preaching at residential weekends as well as of our teaching. The overall judgement was 'confidence with qualifications'.

The national church initiated a review of TEI finances. Data gathering took place in the summer of 2024 and results have been shared with individual institutions in December 2024. In the light of the review the fees for non-residential ordinands remained unchanged.

We conducted a review of our assessment methods. The result is a streamlined curriculum in which ordinand and Reader/LLM course are better aligned, better meeting the needs of our partner dioceses and reducing duplication.

Our Director of Pastoral Studies, The Rev'd Lucy Dallas, left us in April 2025 (remaining with us part-time on secondment from her new position until June), and The Ven. Dr Justine Allain Chapman joined us as our new Director of Pastoral Studies in August 2025.

Financial Review

The Course continues to be funded by fees received from the Church of England. As predicted, ordinand numbers continued to be very low nationally. However, numbers for Readers/LLMs in training picked up again. The RMF funding arrangements mitigated some of the effect of the lower ordinand numbers, but not all of it. The closure of Belsey Bridge led to significantly higher residential costs as the High Leigh Conference centre is significantly more expensive. We have reduced the number of residential weekends to five, which compensates for the extra cost. As a result, the Council reports a surplus of £74,638.

EASTERN REGION MINISTRY COURSE TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 JULY 2025

It became clear during the year that that ordinand numbers would increase slightly in 2025/26, in line with the national trend. The RMF mechanism, which the Church of England has put in place, will provide partial mitigation for what is nevertheless a continuing shortfall in student numbers.

The current RMF funding arrangements are due to be changed at the end of the 2026/27 academic year. The baseline figures for ordinand numbers on which the mitigation payments are calculated will be adjusted to the average of the previous three years. As a result, the mitigation payments will be reduced to nil. This will cause significant financial problems for many TEIs. Our reserves currently exceed the policy-level of three months. This is intentional in this period of turbulence and uncertainty in the sector.

The Finance and General Purposes Committee continues to review expenditure so that ERMIC will be sustainable in the long term.

In 2023 -24 the financial year-end was changed from 31 August to 31 July. Accordingly the prior period comparative amounts are for an 11 month period. The current financial statements are based on a full 12 months.

Reserves Policy

The Council's policy is to hold the equivalent of three months' expenditure as a reserve.

At the period end, the level of reserves was equivalent to circa. 10 months expenditure. The Trustees will apply some of the reserves to enhance existing work. However, because of the continuing low student numbers and the reduction of the mitigation payments, the Trustees intend to keep a higher level of reserves until there is greater certainty again.

The Trustees note that the total unrestricted free reserves at the period end were £470,927. Total reserves at 31st July 2025 are £489,551, including £18,431 of restricted funds.

Public benefit

The Trustees have reviewed the activities of the past year in line with Charity Commission guidelines on public interest benefit. The aims and objectives of ERMIC are within those guidelines in that the ERMIC provides specific benefit to those being trained for authorised church ministry and through them to the Anglican parishes and Methodist Circuits and wider communities in the region which we serve.

Plans for the future

The Church of England continues the review of the funding arrangements for TEIs and the future shape of the sector. As yet no details have been made public. We will engage with this process as it evolves.

In the light of the significant increase in numbers of Reader/LLM students from our partner dioceses and the continuing low ordinand numbers we are going to review how these different cohort of students relate to each other. In the past, training ordinands was our main task, and we offered academic modules for diocesan Reader/LLM students at a reduced rate. As the balance between the groups of students changes, with consistently more Reader/LLM students than ordinands, we need to rebalance this and treat these groups as equal partners and design our courses so that they take more account of the needs of Reader/LLM students. In exchange, fees for Reader/LLM student will need to reflect the actual cost. On the basis of these changes we will renew the Memoranda of Understanding with our partner dioceses.

In order to broaden our reach and increase our profile we are exploring ways in which we can market our modules in biblical languages to a wider audience.

We continue to work through the PER action plan and look forward to the follow-up visit in summer 2026.

**EASTERN REGION MINISTRY COURSE
TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report)
FOR THE YEAR ENDED 31 JULY 2025**

Responsibilities of the Board of Trustees

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the income, expenditure and financial activities of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 as to disclosure of information to Auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each trustee has taken steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report, which has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small entities.

The trustees' annual report was approved on 17th April 2026 and signed on behalf of the board of trustees by:

The Ven. Richard J S Harlow

The Venerable Richard John StClair Harlow (Chair)

EASTERN REGION MINISTRY COURSE REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL OF MEMBERS

We have audited the financial statements of Eastern Region Ministry Course (the charitable company) for the year ended 31 July 2025 which comprise Statement of Financial Activities, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 2025 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

EASTERN REGION MINISTRY COURSE REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL OF MEMBERS

Opinion 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.

Matters on which we are required to report by exception

In the light of our 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 where 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 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime when not eligible and to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the trustees' report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

We identified the laws and regulations applicable to the charitable company through discussions with Directors and other management, and from our knowledge and experience of the education sector;

EASTERN REGION MINISTRY COURSE REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL OF MEMBERS

Auditor's responsibilities for the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory framework applicable to the charitable company and how it is complying with that framework;

We obtained an understanding of the charitable company's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reviewing minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims.

Through the above procedures, we did not become aware of any actual or suspected non-compliance with laws and regulations. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located 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 report

This report is made solely to the trustees, 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 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 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.



Stuart Graham Berriman (Senior Statutory Auditor)
for and on behalf of Chater Allan LLP,
Chartered Accountants & Statutory Auditor,
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU
Date: 29 April 2026

EASTERN REGION MINISTRY COURSE
STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the income and expenditure account)
FOR THE YEAR ENDED 31 JULY 2025

				1st Aug 2024 - 31 July 2025	1st Sept 2023 - 31 July 2024
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income from:					
Donations and grants		839	26,661	27,500	658
Charitable activities:					
- Theological education and ministerial training		617,986	-	617,986	598,324
Investments		9,511	-	9,511	9,578
Total		<u>628,336</u>	<u>26,661</u>	<u>654,997</u>	<u>608,560</u>
Expenditure					
Charitable activities	2	570,384	9,975	580,359	554,671
Total		<u>570,384</u>	<u>9,975</u>	<u>580,359</u>	<u>554,671</u>
Net income/(expenditure)		57,952	16,686	74,638	53,889
Transfer between funds		-	-	-	-
Other recognised gains/(losses)					
Acturial gains/(losses) on defined benefit pension schemes	12	-	-	-	-
Net movement in funds		<u>57,952</u>	<u>16,686</u>	<u>74,638</u>	<u>53,889</u>
Reconciliation of funds:					
Total funds brought forward		413,168	1,745	414,913	361,024
Total funds carried forward	11	<u>471,120</u>	<u>18,431</u>	<u>489,551</u>	<u>414,913</u>

None of the Course's activities were acquired or discontinued during the above two financial years.

**EASTERN REGION MINISTRY COURSE
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2025**

REGISTERED NUMBER - 04258802

	Note	As at 31 July 2025		As at 31 July 2024 as restated	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	5		193		1,070
CURRENT ASSETS					
Debtors	6	159,479		160,849	
CBF Deposit Account		114,110		108,934	
Cash at Bank		303,312		271,398	
TOTAL CURRENT ASSETS		576,901		541,181	
CURRENT LIABILITIES					
Creditors	7	87,543		127,338	
		87,543		127,338	
NET CURRENT ASSETS			489,358		413,843
TOTAL ASSETS LESS CURRENT LIABILITIES			489,551		414,913
DEFINED BENEFIT PENSION SCHEME LIABILITY	8		-		-
NET ASSETS			489,551		414,913
THE FUNDS OF THE CHARITY:					
Unrestricted Fund:					
General Fund			471,120		413,168
Restricted Fund	10		18,431		1,745
TOTAL CHARITY FUNDS			489,551		414,913

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to the small companies.

Approved by the Council on 17 of April 2026
and signed by:

The Ven. Richard J S Harlow

.....
The Venerable Richard John StClair Harlow (Chair)

ALEXANDER S. JENSEN

.....
Rev'd Dr Alexander Soenderup Jensen

**EASTERN REGION MINISTRY COURSE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2025**

	Total 2025 £	Total 2024 £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities	<u>27,579</u>	<u>17,078</u>
Cash flows from investing activities:		
Interest from investments	9,511	9,578
Purchase of property, plant and equipment	-	-
Net cash provided by investing activities	<u>9,511</u>	<u>9,578</u>
Cash flows from financing activities		
Interest paid	-	(1,282)
Change in cash and cash equivalents in the reporting period	<u>37,090</u>	<u>25,374</u>
Cash and cash equivalents at the beginning of the reporting period	380,332	354,958
Cash and cash equivalents at the end of the reporting period	<u><u>417,422</u></u>	<u><u>380,332</u></u>
Summary of the cash and cash equivalents at the end of the reporting period		
Cash at bank and in hand	417,422	380,332
	<u><u>417,422</u></u>	<u><u>380,332</u></u>
Reconciliation of net (expenditure)/income to net cash flow from operating activities		
Net (expenditure)/income for the reporting period	74,638	53,889
Adjustments for:		
Depreciation charges	460	735
Loss on disposal of fixed assets	417	-
Gains/(losses) losses on defined benefit pension scheme	-	-
Interest from investments	(9,511)	(9,578)
Interest paid shown in financing activities	-	1,282
Decrease/(increase) in debtors	1,370	(22,984)
Decrease/(increase) in creditors	(39,796)	(6,266)
Net cash (used in)/provided by operating activities	<u><u>27,579</u></u>	<u><u>17,078</u></u>

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

1) GENERAL INFORMATION

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 1a The Bounds, Westminster College, Lady Margaret Road, Cambridge, CB3 0BJ.

ERMC meets the definition of a public benefit entity under FRS 102.

The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to a maximum of £10 per member of the company.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. Interest is fully accrued at the balance sheet date.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Grants and donations payable are accounted for when a legal or constructive obligation arises. A constructive obligation arises where the other party has a reasonable expectation of receipt.

Depreciation of Fixed Assets

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

Furniture	10 years on cost
Equipment	5 years on cost
Computers and computer equipment	3 years on cost
Library	15 years on cost

Pension Costs

The company operates two defined benefits pension schemes. Contributions payable to these schemes are charged to the Income and Expenditure account so as to spread the cost of the pension over the employees' expected working life. The pension charge is calculated on the basis of actuarial advice. These contributions are invested separately from the course's assets. Under Section 28 of FRS 102 provision is made for any agreed deficit recovery payments.

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

1) ACCOUNTING POLICIES (continued)

Companies Act 2006

These financial statements have been prepared in accordance with the Companies Act 2006 with amendments to enhance the "True and Fair" view. The inclusion of an Income and Expenditure account is not deemed necessary as the information is disclosed in the Statement of Financial Activities.

Going Concern

The Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees believe the charitable company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Judgements and key sources of estimation uncertainty

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Financial instruments:

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

2) CHARITABLE ACTIVITY EXPENDITURE	Unrestricted funds	Restricted funds	Total funds	Total funds
Theological education and ministerial training	2025	2025	2025	2024
				as restated
Direct costs:	£	£	£	£
Tutorial staff	221,107	5,789	226,896	227,753
Staff travel, training and book allowances	14,487	56	14,543	8,700
Tutors' fees and expenses	21,607	4,130	25,737	19,255
Centre teacher expenses	13,263	-	13,263	7,997
Other academic costs	35,977	-	35,977	35,153
Tutorial support staff	75,997	-	75,997	55,570
Pension costs funded by DBS surplus	(22,155)	-	(22,155)	(6,962)
Recruitment & meals costs	3,407	-	3,407	3,005
Insurance	2,818	-	2,818	4,628
Other direct premises costs	19,190	-	19,190	19,425
Residential weekends and summer school	116,959	-	116,959	104,710
Staff housing costs	14,079	-	14,079	10,192
Depreciation charge	460	-	460	735
Loss on disposal of fixed assets	417	-	417	-
Bad debts	-	-	-	-
	<u>517,613</u>	<u>9,975</u>	<u>527,588</u>	<u>490,161</u>
Support costs:				
Service charges	1,687	-	1,687	2,207
Printing, stationery and photocopying	2,149	-	2,149	2,113
Postage and telephone	723	-	723	529
Branding and web design	500	-	500	3,013
IT costs	565	-	565	5,684
Gas & Electricity	2,439	-	2,439	1,070
Audit fees	6,000	-	6,000	5,960
Council expenses and meeting costs	958	-	958	831
Professional fees	9,425	-	9,425	9,012
Donations payable	-	-	-	-
Other support costs	28,325	-	28,325	34,093
	<u>52,771</u>	<u>-</u>	<u>52,771</u>	<u>64,511</u>
Total costs	<u>570,384</u>	<u>9,975</u>	<u>580,359</u>	<u>554,671</u>

3) ANALYSIS OF STAFF COSTS AND REMUNERATION TO KEY PERSONNEL

	2025	2024
	£	as restated
		£
Wages and salaries	221,728	211,377
Social security costs	21,695	16,806
Pension costs	42,811	32,154
Pension costs funded by DBS surplus	(22,155)	(6,962)
Staff book allowances	2,920	3,190
	<u>266,999</u>	<u>256,565</u>

The average number of persons employed by the Course during the year was: -

	2025	2024
Academic staff	4	5
Tutorial support staff to include 24 sessional tutors (2024:25)	32	39
	<u>36</u>	<u>44</u>

There were no employees paid in excess of £60,000 in the year.

£897 was paid to 3 trustees for council expenses.

During the period one trustee, Revd Dr Jensen received £44,399 in his capacity as Principal.

Key management personnel

During the period remuneration received by key management personnel totalled £48,108.

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

4) NET (EXPENDITURE)/INCOME

	2025	2024
	£	£
Net (expenditure)/income is stated after charging:		
Depreciation of tangible fixed assets	460	735
Auditors' remuneration	6,000	5,960
Pension costs	20,656	25,191
	<u>20,656</u>	<u>25,191</u>

5) FIXED ASSETS

Cost	Computer Equipment £	Office Equipment & Furniture £	Library £	Total £
At 1 August 2024	8,173	8,157	20,216	36,546
Additions	-	-	-	-
Disposals	(2,227)	(4,752)	(20,216)	(27,195)
At 31 July 2025	<u>5,946</u>	<u>3,405</u>	<u>-</u>	<u>9,351</u>
Depreciation				
At 1 August 2024	8,164	7,095	20,216	35,475
Charge for Year	8	452	-	460
Eliminated on disposal	(2,227)	(4,335)	(20,216)	(26,777)
At 31 July 2025	<u>5,946</u>	<u>3,212</u>	<u>-</u>	<u>9,158</u>
Net Book Value:				
At 31 July 2025	<u>-</u>	<u>193</u>	<u>-</u>	<u>193</u>
At 31 July 2024	<u>8</u>	<u>1,062</u>	<u>-</u>	<u>1,070</u>

All assets are used for charitable purposes.

6) DEBTORS

	2025	2024 as restated
	£	£
Fees outstanding	71,391	61,210
Prepayments and accrued income	20,197	24,491
Other debtors	14,898	-
Pension surplus	52,993	75,148
	<u>159,479</u>	<u>160,849</u>

7) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024 as restated
	£	£
Trade creditors	6,707	16,010
Accruals and deferred income	25,762	28,282
Other creditors	2,081	7,898
Deferred pension surplus	52,993	75,148
	<u>87,543</u>	<u>127,338</u>

Included in Accruals and deferred income above is the following deferred income:

	£
As at 1 August 2024	13,465
Deferred income recognised in the year	(13,465)
Resources deferred during the year	-
At 31 July 2025	<u>-</u>

Deferred income in 2024 represented income received from RMF Innovation Funding for the academic year 2024/25.

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

8) PENSION PROVISIONS	2025 £	2024 £
Balance as at 1st August	-	-
Deficit contributions (paid)/incurred	-	-
Interest cost	-	-
Remaining change to the balance sheet liability	-	-
Balance as at 31 July	<u>-</u>	<u>-</u>

The charity had entered into a deficit recovery plan in respect of the Church of England Funded Pension Scheme which ceased with effect from 31 December 2022, see note 12. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2024 or 31 December 2025.

The charity had entered into a deficit recovery plan in respect of the Church Workers Pension Fund which ceased with effect from 1 January 2023, see note 12. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2024 or 31 December 2025.

9) OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Office Equipment 2025 £	Land & Buildings 2025 £	Land & Buildings 2024 £
In less than one year	275	14,400	14,400
Between one and five years	-	57,600	57,600
Greater than five years	-	184,800	199,200
	<u>275</u>	<u>256,800</u>	<u>271,200</u>

Lease payment rentals recognised as an expense for the year amounted to £14,974.

10) RESTRICTED FUND

	Liturgy Binders Fund £	RMF Innovation Fund £	Research Fund £	Total £
Balance as at 1 August 2024	330	1,415	-	1,745
Incoming resources	-	13,465	13,196	26,661
	<u>330</u>	<u>14,880</u>	<u>13,196</u>	<u>28,406</u>
Less outgoing resources	-	-	(9,975)	(9,975)
Transfer from Unrestricted Fund	-	-	-	-
Balance as at 31 July 2025	<u>330</u>	<u>14,880</u>	<u>3,221</u>	<u>18,431</u>

The Liturgy Binders Fund was set up in 2003 with a donation of £330 to purchase liturgy binders.

The RMF Innovation Fund was established via a grant from The Church of England for Online Study skills and Resource Bank purposes.

The Research Fund was awarded as a grant from the University of Birmingham for a Cross-Sectional Study into Biblical Interpretation and Climate Change.

11) ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	Pension Provisions £	Total £
Restricted Funds	-	18,431	-	18,431
Unrestricted Funds:				
General Fund	193	470,927	-	471,120
	<u>193</u>	<u>489,358</u>	<u>-</u>	<u>489,551</u>

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

12) PENSION SCHEMES

a) Church Workers Pension Fund

Eastern Region Ministry Course participates in the Defined Benefits Scheme section of CWPF for lay staff, which is now closed to future accrual. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the 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.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the General Reserve and all pensions and death benefits are paid from the General Reserve.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the DBS assets and liabilities to specific employers, since each employer, through the General Reserve, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pension costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2025: £nil (2024: £nil, plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £nil for 2025 (2024: £nil).

If, following an actuarial valuation of the General Reserve, there is a surplus or deficit in that reserve, further transfers may be made from the General Reserve to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. At the most recent valuation at 31 December 2022 there was a surplus of £73.6m.

The next actuarial valuation is due at 31 December 2025.

In 2024, the Board entered into a full buy-in agreement with Aviva to insure all accrued benefits within the DBS of the CWPF. It was also agreed that some employers could use assets in the DBS in lieu of contributions to Pension Builder Classic and/or Pension Builder 2014.

Over the year to 31 December 2025, £24,876 of surplus assets from the DBS has been used to fund contributions in Pensions Builder Classic / 2014 for Eastern Region Ministry Course (DBS).

The Church of England Pensions Board agreed that deficit contributions should cease with effect from 31 December 2022 for employers whose pools were estimated to be materially in surplus. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2024 or 31 December 2025.

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

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

12) PENSION SCHEMES (continued)

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 pension costs charged to the SoFA in the year are contributions payable, 2025: £21,864 (2024: £9,535), these have been funded by the pension surplus insurance buy-in.

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 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2026, the Board chose to grant a discretionary bonus of 10% 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 1997 service so that the pension increase was also 10% (where usually it would be calculated based on inflation up to an annual cap of 5% for pensions in payment in respect of service prior to April 2006 and 2.5% for pensions in payment in respect of service post April 2006). This followed improvements in the funding position over 2025. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The Church of England Pensions Board has agreed that some employers could use assets in the DBS of the CWPF in lieu of contributions to Pension Builder Classic and/or Pension Builder 2014.

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

b) Clergy Pension Fund

Eastern Region Ministry 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 hold the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pension 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, which were £18,535 in 2025 (2024: £18,874), plus any figures arising from contributions in respect of any Scheme deficit.

**EASTERN REGION MINISTRY COURSE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025**

12) PENSION SCHEMES (continued)

A valuation of the Scheme is carried out once every three years. The 2021 valuation showed the Scheme to be fully funded. The most recent Scheme valuation completed was carried out at as 31 December 2024, and also showed the Scheme to be fully funded; as such in 2025, the deficit contributions paid were £nil (2024: £nil).

The December 2024 valuation revealed a surplus of £560m, based on assets of £2,570m and a funding target of £2,010m, assessed using the following assumptions:

- An average discount rate of 6.0%p.a;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.7% pa 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 S4NA_L tables, with allowance for improvements in mortality rates from 2017 in line with the CMI2023 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 and 2021 data of 20% (i.e. w = 20%).

The 2024 valuation reflects the benefit improvements that the General Synod agreed in principle in July 2025 (and confirmed in February 2026).

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there were no deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2024 and 31 December 2025 is £nil.

13) PRIOR YEAR ADJUSTMENT

As a result of the 2024 insurance contract buy-in on the Church Workers Pension Fund, an £82,110 surplus was allocated to the charity. The prior year adjustment relates to the unused element of the surplus as at 31 July 2024. This resulted in an increase in debtors of £75,148 together with a corresponding increase in deferred income of the same amount. Employer pension contributions for 2024 have been increased by £6,962 with a credit of the same amount from the surplus. There has been no adjustment to reserves.

14) STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR THE PERIOD FROM 1 SEPTEMBER 2023 TO 31 JULY 2024

	General Fund £	Restricted Fund £	Total 2024 £
Income from:			
Donations	658	-	658
Charitable activities:			
- Theological education and ministerial training	596,909	1,415	598,324
Investments	9,578	-	9,578
Total	607,145	1,415	608,560
Expenditure			
Charitable activities	554,671	-	554,671
Total	554,671	-	554,671
Net (expenditure)/income	52,474	1,415	53,889
Transfer between funds	-	-	-
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit pension schemes	-	-	-
Net movement in funds	52,474	1,415	53,889
Reconciliation of funds:			
Total funds brought forward	360,694	330	361,024
Total funds carried forward	413,168	1,745	414,913

15) RELATED PARTY TRANSACTIONS

There were no related party transactions except as noted in note 3.