



REPORT OF THE GOVERNORS
and
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st July 2024

Company number: 04418151

Charity registration number: 1096721

Registered office:
189 South Norwood Hill, London SE25 6DJ

Website: www.spurgeons.ac.uk

SPURGEON'S COLLEGE

Registered charity no. 1096721

**Incorporating trust property held in connection with Spurgeon's
College registered charity no. 312888 and Falkland Park Trust
registered charity no. 1096721-1**

REPORT OF THE GOVERNORS

and

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st JULY 2024

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REFERENCE AND ADMINISTRATIVE DETAILS

Spurgeon's College is a company limited by guarantee registered in England and is also a charity registered with the Charity Commission. The governors are both the directors of the company and trustees of the charity.

Company registration number 04418151

Charity registration number 1096721

Registered office Spurgeon's College
189 South Norwood Hill
London SE25 6DJ

Governors Rev'd Stuart Davison (*Vice-Chair*)
Prof Sir Leslie Ebdon (*Chair, acting treasurer 16 Jul to 30 Oct 2024*)
Rev'd Jonathan Edwards
Mrs Joanne Gale
Mrs Charlotte Kirby-Thomson
Mr David Locke (*Treasurer*) – to 15th July 2024
Rev'd Prof Philip McCormack (*Principal*)
Ms Charmaine Mhlanga (*Student governor*)
Mr Neil Sherringham
Pastor Michael White

Senior staff Rev'd Prof Philip McCormack (*Vice-Chancellor and Principal*)
Rev'd Helen Stokley (*Deputy Vice-Chancellor and Chief Operating Officer*)
Rev'd Dr Stephen Wright, (*Vice Principal – Academic Director*) – to 31st August 2023
Dr Robert Keay (*Academic Director*) – from 1st August 2023 to 31st July 2024
Rev'd Dr Seidel Abel Boanerges (*Dean of Ministerial Formation*)

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Principal advisers

Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF
Bankers	NatWest Bank 1 High Street Croydon Surrey CR9 1PD
Auditors	Moore Kingston Smith LLP 6 th Floor 9 Appold Street London EC2A 2AP
Investment Managers	Rathbones 159 New Bond Street London W1S 2UD
Independent Financial Advisers	AW Financial Management LLP The Old Exchange 3 London Road Farningham Kent DA4 0JP

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GOVERNORS' ANNUAL REPORT

The governors have pleasure in presenting their report and the financial statements of Spurgeon's College for the year ended 31st July 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Acts purposes.

The financial statements comply with the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, and follow the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Structure, Governance and Management

Governing document

Spurgeon's College is governed by its Articles of Association as adopted by Council on 18th June 2020.

The members of the charity are the members of the Council. In the event of the College winding up, each member of the Council undertakes to contribute an amount not exceeding £10. Upon the winding up or dissolution of the College, all remaining assets shall be given or transferred to another charity having the same or similar objects to the College in accordance with charity law.

The College occupies land and buildings in South Norwood, London. These, including a residential property, are owned by the Falkland Park Trust (Charity No: 1096721-1, previously Charity No: 1017769). Under a Charity Commission Scheme dated 13th February 2003, the company (Spurgeon's College) became sole Corporate Trustee of the Falkland Park Trust.

On 29th April 2019 Spurgeon's College Development Limited was incorporated as a wholly owned subsidiary of Spurgeon's College. The company has been dormant since incorporation and will be used for future College development projects.

Validation and regulation

In the academic year 2023-24 the College successfully exercised the awarding and validating powers granted to by the Office for Students (OfS) the regulator for Higher Education in England. Spurgeon's College is the first theological college in the UK to achieve Full Taught Degree Awarding Powers (TDAPs). TDAPs is seen to offer confirmation of reputation (the most precious commodity in higher education), greater autonomy, flexibility, leadership and economic benefits.

In 2021 the OfS relaunched the Teaching Excellence Framework or TEF with submission expected by January 2022. As a new degree awarding authority, Spurgeon's made a TEF submission. On 28 September 2023, the results were announced, and Spurgeon's received a Triple Gold award, the highest accolade possible. It also placed in the top 26 universities and colleges in the UK who have been awarded triple TEF Gold. The TEF is a national scheme run by the Office for Students that aims to encourage higher education institutions to improve and deliver excellence in the areas that students really care about: teaching, learning and achieving positive outcomes from their studies. The TEF does this by assessing and rating universities and colleges for excellence above a set of minimum requirements for quality and standards. In one year, Spurgeon's moved from receiving Full Degree Awarding Powers to securing a

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triple Gold rating in the Teaching Excellence Framework. The College has this Triple Gold award for four years.

In the academic year 2023-2024 Spurgeon's introduced its new undergraduate degree (BA in Theology) validated exercising its new powers. This included offering its new BA via Distance Learning. The College also brought its five postgraduate programmes under its own validation authority. In addition, the College also validated: The Professional Certificate in Ministerial Formation and The Foundation Year (Year Zero), which is the first year of our four-year BA in Theology (Hons) that prepares students for degree-level study in Theology. The College successfully designed and validated a BSc in Counselling in May 2024. This degree programme meets the requirements as set out in the Scope of Practice and Education (SCoPEd) framework. Successful graduates from this BSc will have the wide range of skills, knowledge, training and experience required of professional counsellors as defined in SCoPEd. The College also successfully validated a range of short courses that qualify as micro-credentials. It is still the intention to design and validate two new undergraduate courses, in the humanities and social sciences, each year. A major focus in the academic year 2024-25 will be the design and validation of a new Master of Arts degree in Transformational Church Leadership. This project is being developed in partnership with our Chancellor, Pastor Rick Warren and will form part of the academic element in the global network of Finishing The Task.

The power to validate other institutions is an important component in the TDAP powers granted to the College. The academic year 2023-24 was the first year of the Irish Baptist College (IBC) operating under a formal validation agreement with Spurgeon's College. Approximately 90% of IBC's students transferred onto a Spurgeon's validated degree programme from the former university validator. In the end of year report from the College's Link Tutor to the IBC it noted that, 'While the college has received excellent commendation from recent QAA reviews, the policy and regulation regime as a validated partner of Spurgeon's is more rigorous and demanding than with the previous university affiliation. IBC is adjusting well to the new requirements.' This illustrates Spurgeon's commitment to the highest quality standards and the professional exercise of its new powers. A number of institutions have approached the College to initiate conversations about validation or franchise agreements. As a degree awarding authority, Spurgeon's College is actively assisting in securing the provision of theological education in the UK at university level, which could be strategically important.

Spurgeon's College continues to 'teach-out' programmes that have students on validated programmes of the University of Manchester and Liverpool Hope University. It is an approved partner of the Institute of Pastoral Counselling and is an approved teaching centre for the Counselling and Psychotherapy Central Awarding Body or CPCAB.

Spurgeon's College is regulated by the Office for Students (OfS) and subscribes to the Higher Education Statistics Agency (HESA), which collects, processes and publishes data about higher education in the UK, and the Office of the Independent Adjudicator (OIA), the independent body set up to review student complaints.

The College is also a member college of the Baptist Union of Great Britain, and a member of the Evangelical Alliance and the Micah Network.

Organisational structure and decision making

The management of the College is vested in the Board of Governors. The governors are directors of the company limited by guarantee and trustees of the charity. The Board meets on

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at least four occasions each year and is responsible for delivery of the College's charitable objects, setting the strategic direction and upholding the values of the College.

The Council is the body to whom the governors are accountable. The Council also provides advice, acts in advocacy for the College and appoints the governors. The Council comprises:

- up to twelve members appointed by the current members of the College Conference (former students);
- for each of the London, Eastern and South Eastern Baptist Associations, up to four members, including one Regional Minister and up to three Lay Members who are interested in furthering the work of the College, appointed by the directors of the Associations;
- up to three representatives of the Particular Baptist Fund appointed by the Managers of the Fund;
- the governors;
- the Deputy Vice-Chancellor, the Academic Director and Dean of Ministerial Formation;
- up to six members of College staff including three tutorial staff and three other members of staff;
- one representative of the Baptist Union of Great Britain appointed by its trustees;
- one representative of BMS World Mission appointed by its trustees;
- up to three representatives of the student body;
- up to three people co-opted by the Governors in liaison with ecumenical bodies in South London; and
- up to four other people co-opted by the Governors.

The Board of Governors is assisted in its work by a number of advisory committees formed of governors, Council members, College supporters and members of staff. The Board sets the terms of reference for each committee, which are reviewed regularly, and appoints committee members with relevant expertise and experience. The advisory committees meet as and when required, provide minutes of each meeting to the governors, and also report on their activities to the annual general meeting of the Council.

The advisory committees are as follows:

- Buildings Group – provides advice and assistance on all matters concerning the College properties;
- Marketing, PR and Income Generation Group – provides advice and assistance on all matters concerning income generation, including recruitment, and promotion of the College activities;
- Equality, Diversity and Inclusion Monitoring Group - advises on matters relating to equality, diversity and inclusion issues and ensures compliance with the law and best practice;
- Finance Committee - provides advice and assistance on all matters concerning the College finances;
- Audit & Risk Committee – provides advice and assistance on all matters concerning risk management and audit;

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- Governance Group – provides advice and assistance on all matters concerning governance;
- Nominations Group - provides advice on the selection of new governors;
- Academic Board – oversees the courses, standards and outcomes of the courses offered throughout the College;
- Access and Participation Monitoring Group – monitors and evaluates the implementation of the College's Access and Participation Plan.

The Academic Board is the body entrusted by the governors with overseeing the educational work of the College. The members during the year ended 31st July 2024 were as follows:

- Rev'd Prof Philip McCormack, Principal* (Chair);
- Katie Walsh* (Senior Registrar), Rev'd Dr Stephen Wright* (Academic Director) – to 31st August 2023, Dr Robert Keay* (Academic Director – from 1st August 2023 to 31st July 2024, Rev'd Dr Seidel Abel Boanerges*, Rev'd Dotha Blackwood*, Mr Rob Bradshaw*, Dr Thomas Breimaier (to 12th February 2024)*, Linda Campbell*, Adrian Lock, Laura Lock, Dr Debra Reid*, Dr Zoltan Schwab*, Revd Dr Pete Phillips*, Dr Jonas Kurlberg*, Deborah Waweru-McDowall, Revd Dr David McLachlan (from 29th July 2024);
- Representing the associate and online tutors: Revd Simon Jones*, Dr Terry Wright*, Jo Dowds*
- Representing the College of Preachers: Rev'd Dominic Robinson;
- Counselling course leader: Rev'd Martin Stokley;
- Representing the Governors: Prof Sir Les Ebdon;
- Representing the Council and also wider academic life: Christine Dunmow;
- Representing wider academic life: Prof. James Carpenter; Prof. Geoffrey Cook; Prof. Jerry Forrester; Dr Trevor Stammers and Prof. Andrew Thomason;
- Three representatives of undergraduate students (from different pathways) and up to three representatives of postgraduate students (from different pathways).

*Denotes members of staff who are remunerated for their service relating to the teaching and administrative activities of the College rather than in their role as members of the Academic Board.

The Board delegates the management of all operational, financial and academic matters to the Vice-Chancellor/Principal who in turn delegates relevant activities to the Senior Management Team (SMT) of the College, who are the Heads of Departments: the Deputy Vice-Chancellor/Chief Operating Officer; the Academic Director; and the Dean of Ministerial Formation.

The SMT are invited to attend each Board meeting and are required to provide a report detailing the activities of their departments to inform Governors of their oversight of each department.

Governor recruitment and appointment

The Board of Governors comprises not less than nine and not more than 13 members. The quorum for the transaction of the business is the greater of one third of the governors or three.

At every annual general meeting one-third, or the number nearest to (but not greater than) one third of the governors (other than the Principal (ex-officio) and Student Governor (appointed

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by the governors)) retire from office but are eligible for re-appointment by the Council members. Governors, other than the Principal and Student Governor, are normally appointed for a term of three years. They serve for no more than nine years unless the governors exceptionally resolve to permit a further term for no more than one governor at a time. The Student Governor is appointed for a term of one year renewable for further periods of one year up to a maximum of four years.

The Board of Governors has the power to co-opt new governors but those co-opted have to stand for election at the following annual general meeting. Co-options are made on the recommendation of the Nominations Group whose members review the skills matrix of the Board and role descriptions, and identify suitable candidates for appointment to the Board. Candidates are recruited from direct approaches, recommendations and referrals, and by advertising, as appropriate. The Board endeavours to reflect the diversity of the student body in its own composition, ensuring there is diversity of gender, age, ethnicity and denominational allegiance. Potential new governors meet the Nominations Group to discuss the role requirements.

Following appointment, all new governors are issued with a Governance Handbook and other appropriate documentation. Guidance is given on the roles and responsibilities of being a charity trustee and governor, and on the College's governance structure. Meetings with key College personnel are arranged.

Remuneration

The governors are committed to ensuring a balance between paying staff to attract and retain the best people for the job and careful management of charitable funds.

In determining the remuneration paid to academic staff, the governors are cognisant of the remuneration given to those working in similar roles in other theological and Bible Colleges, and to ministers in the Baptist Union. Where possible, remuneration attached to jobs in support functions is benchmarked against similar jobs in the local jobs market. Cost of living increases may be awarded annually to all staff on the basis of a recommendation from the Finance Committee in the context of the annual budget setting process, following consideration of the increase in Retail and Consumer Price Indices and the College's financial position.

Appointment of Chancellor and his work

In April 2023, the College installed Pastor Rick Warren as its first honorary Chancellor. The Chancellor acts as the ceremonial figurehead of the College, with formal responsibilities. Dr Warren is the founding pastor of Saddleback Church in California and author of the best-selling *The Purpose-Driven Church* and *The Purpose-Driven Life*. As Chancellor, Pastor Warren will play a key role in supporting the vision of the College to train men and women for Christian mission, ministry and leadership in the contemporary world. Through his global reach, Pastor Warren reaches millions of people every day with a message of Christian hope. Since his appointment, Pastor Warren has been the international ambassador of Spurgeon's and has publicly promoted the College when speaking to gatherings of tens of thousands of pastors and ministers in multiple countries and on three continents. Chancellor Warren is personally involved in the College's fundraising / vision campaign which will be launched by November 2024. As part of his commitment he has recorded a number of videos explaining the detail of the fundraising campaign.

Objectives and activities

Objects

The College's charitable objects are to advance the Christian religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices usually called evangelical, in particular through the provision of education, training, vocational preparation and support to Christians for mission and ministry.

Our Mission

To train men and women for Christian mission, ministry and leadership in the contemporary world.

Our Vision

The College draws its vision from three sources:

- a. *A confessional foundation* – established by CH Spurgeon in 1856 as the Pastors' College, Spurgeon's College is a Christ-centred, evangelical college in the Baptist tradition, engaged in biblical and theological education;
- b. *A formative ethos* – this flows from our life as a community that meets daily for worship, where preparation for Christian service is enriched by the practice of gathering daily as a community to glorify God, who is Father, Son and Holy Spirit;
- c. *A geographical location* – the College is intentionally London based, with a national focus and a global reach.

The College Vision, approved in 2018 is:

- To cultivate a creative learning environment allowing every student to develop spiritually, academically, emotionally and socially;
- To deliver a relevant, structured curriculum tailored to training men and women for mission, ministry and leadership for all who wish to deepen their understanding of the Scriptures and theology;
- To develop the College's position, in the global and diverse city of London, as a research-led, experience-based, centre of excellence delivering positive outcomes for students;
- To maintain the highest professional and ethical standards in every area of College life.

Work has commenced on drafting the next iteration of our Vision.

Our Values

As a Christian Higher Education Theological College our values are directly drawn from and aligned with biblical principles, in particular:

- We believe in the inherent moral equality, dignity and worth of every individual;
- We value the unique distinctiveness of each member of the College community;
- We celebrate the richness of being a diverse and inclusive community;

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- We believe that as a community meeting daily for worship we must be careful to listen to God and discern his will and purpose;
- We will promote the general wellbeing of all members of the student community and College staff;
- We are committed to assisting every student in reaching their potential.

The College's Values are consistent with and build upon 'The 7 principles of public life'¹ often referred to as the 'Nolan Principles.'

Students

The College's main activity is the provision of excellent education in a supportive environment, in particular training those called to Christian mission, ministry and leadership in the contemporary world is the provision of theological education and ministerial and practical training for Christian mission and ministry. Spurgeon's is a welcoming and inclusive community – we believe that all are created in God's image and loved by him, so we value each student and their unique contribution to the corporate life of the College.

Spurgeon's College continues to prepare candidates for ordination to Baptist ministry within the Baptist Union of Great Britain, and train pastors and leaders from other denominations. The College also includes students who are pursuing a theological education for its own merits in its diverse learning community, and this further enriches the life and experience of all community members. Since its foundation, over 5,000 churches worldwide have been served by Spurgeon's ministers and its trained ministers are active in over 35 countries. The College has also developed post-graduate provision for continuing ministerial development training and has a thriving post-graduate research community. It offers other accessible training packages for church members seeking to serve in lay capacities or pastoral supervision roles. The College's counselling provision continues to be considered a gold standard in the provision of counselling education in the South of England. The College has high hopes that the cutting-edge BSc in Counselling will see a strong cohort of students starting in September 2025.

Public benefit

The governors carefully consider the Charity Commission's guidance on public benefit in determining what work is done, and the guidance informs the College's aims, plans and activities. The governors take seriously their responsibility to offer high quality academic provision that also represents value for money to students and to taxpayers.

Those who benefit from the College's work directly are the students. Those who study and/ or train for ministry, both ordained and lay, and also, indirectly, those who worship in and benefit from the ministry of churches in the UK and around the world which are served by students and former students. Those who study to become professional counsellors and enrich their community through the skills they learn at Spurgeon's College.

The students benefit through:

- Enhanced knowledge and skills;
- Academic and professional study and qualifications;

¹ See <https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

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- Broadened perspectives on faith and the world;
- Deeper and stronger personal spirituality gained from living, studying and worshipping in a Christian community.

The benefit to the general public comes through:

- Leadership by properly trained and equipped ordained ministers, lay leaders and counsellors of churches which are open for public worship;
- Leadership of and involvement in Christian charitable and social action work by current and former students of the College who have been motivated, inspired and equipped by their courses at College.

The governors ensure the courses at Spurgeon's College are designed for those who seek to further their knowledge of Christian theology or train for Christian ministry and train to become counsellors. Whilst the College is part of the Baptist Union of Great Britain, a wide variety of church traditions are represented within the student body and the content of the courses offered reflects this diversity.

The College's *Access and Participation Plan* 2020-21 to 2024-25 is a public document that demonstrates our commitment to fair access and opportunity. The information from the College's HESA data clearly shows the diversity of the student population:

- Indices of Multiple Deprivation (IMD) quintiles 1 and 2: 36.4%
- Free School Meals eligibility: 50%
- TUNDRA (Tracking underrepresentation by area) quintiles 1/2: 23.7%
- White 52.6%, Black 35.0%, Asian 6.3%, Mixed 3.1%, Other 1.9%
- 31 years and over on entry: 79.8%

The approach taken by the College to fair access and opportunity is informed and shaped by data to ensure that every student has the best chance of academic success. In the 2023-2024 academic year the College worked with senior members of the New Testament Church of God to design and develop a Foundation degree for its members and leaders.

Fees are set at rates which are appropriate bearing in mind similar courses offered by other Baptist and Bible colleges and centres delivering counselling courses. All courses are subsidised as the income from fees is less than the cost of providing courses. Donations and legacies from supporters, income derived from use of properties and assets, and investment income, all contribute to the subsidy.

Students who are training for the Baptist ministry have access to the Baptist Union Bursary Fund. They and other students have access to bursary funds administered by the College and to grants from charitable trusts. The College is active in ensuring that students with financial needs have information about raising money to fund their training and are able to apply for bursaries.

Civic contribution

As a higher education institution with the same powers as any UK university to create, validate and offer academic degrees, the College has consciously worked to develop the civic role it quietly plays in the local life of Croydon. During the Covid-19 pandemic, the College became aware of a community lunch club, serving senior citizens with specific needs, which had been

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made homeless. For the last three years the College has hosted the lunch club two days per week, free of charge, with lunch club staff using the College's industrial class kitchen facilities to prepare and cook hot meals for their clients. The two distinct groups that form the lunch club look forward to their weekly visit to the College and students on a ministerial track have enjoyed their interaction with a wonderful group of people from the local community.

The College's proactive engagement with local community groups resulted in it becoming aware of Amity Youth Development, a community organisation working with young people aged 17 – 30 who live in the London and Greater London Region. Amity supports young people by helping them to enter into employment, education or training. The College continues to provide Amity with an office and classroom within its main educational facility to use. To date, scores of young people have been trained by Amity at Spurgeon's and have gone into employment or further education.

One of the main civic contributions the College quietly makes to the community in Croydon and more widely across the UK, is the work its ministers in training do within their local communities through their ministerial placements in local churches. In the financial year to 31st July 2024, over 50 ministerial students from Spurgeon's worked as ministers in training in local churches, often as the sole minister. The impact of this ministry upon local communities is often immense. Many churches run foodbanks and provide vital community support to the most marginalised within those communities. The academic and theological studies undertaken by the College's ministers in training is put into practice in scores of villages, towns and cities across the country. College staff actively deliver placement support for ministers in training and ensure that both the student and the local church is supported.

The College has continued to work closely with the Borough Council of Croydon in 2023-2024. The VC had multiple meetings with Council Officers to identify the educational provision required for the residents of Croydon and the needs of employers seeking graduate employees. One specific educational track explored in these meetings was the potential for a BA degree in Business and Public Administration. Council Officers had identified a recruitment issue faced by the Borough Council, as well as other councils, of attracting suitably qualified and experienced staff across the breadth of its work. The College will continue to explore this potential educational offer in the academic year 2024-2025.

Additional public interest governance principles

The governors monitor good practice within both the charity and Higher Education sectors. This means that Spurgeon's College is seeking to align its governance processes, in regard to Higher Education, with the current guidance from the Committee of University Chairs contained in The Higher Education Code of Governance². The governors are satisfied that adequate and effective measures are in place to ensure that when the College is in receipt of public funds they are appropriately used, in line with the conditions of the grant and the principles of regularity, propriety and value for money to protect the interest of taxpayers and consistent with its Charitable objects.

² See <https://www.universitychairs.ac.uk/wp-content/uploads/2015/02/Code-Final.pdf>

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Volunteers and Donors

The College's work is supported by a number of volunteers whose contribution is invaluable and underpins the success of the College. In addition to those involved with the College's governance, volunteers assist with the Library, with the Learning Enhancement Department, with church placements, and in various administration support roles.

In its 168-year history, the College has benefited from the generosity of its supporters and donors. The College has remained faithful to the desire of its founder Charles Spurgeon that it should live by faith. The many small and large donations both encourage and practically help the College to remain faithful to its mission and vision and the governors wish to acknowledge the kindness of its stakeholders, friends and supporters.

Strategic report

In academic year 2023-2024 the Trustees discussed the following objectives:

- a. To apply for and achieve Research Degree Awarding Powers from the Office for Students.
- b. To secure 'indefinite' Taught Degree Awarding Powers.
- c. To ensure that we have the College has 55 per cent of the total number of full-time equivalent students, of which at least 50 per cent must be on courses at Level 6 or above on the Framework for Higher Education Qualifications so that it can apply for university title.
- d. To provide excellent and continually improving levels of teaching, formation, learning and resources for all students, in every subject area, and to enhance the student learning experience.
- e. To encourage and facilitate access and participation in Higher Education, through the award of 10 bursaries per year.
- f. To develop a school and community outreach programme, utilizing our connections with our existing and new partnerships, to encourage young people from all backgrounds to consider Higher Education.
- g. To foster relationships with the growing church, especially in relation to the growing Black, Asian and Minority Ethnic (BAME) movements in London and the UK.
- h. The College will develop its capacity to resource the churches locally in London, nationally across the United Kingdom and internationally (when resources permit).
- i. To contribute to securing the provision of theological education in the UK at university level.
- j. To develop partnerships with international Universities and Theological Colleges.
- k. To foster and develop partnerships with international Baptist Associations and Unions.
- l. To deliver capital build projects that contribute to income generation and the research and Higher Educational objectives of Spurgeon's College.
- m. To develop and maintain a financial strategy that will deliver the College's objectives.

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- n. To ensure that Spurgeon's College remains an attractive place to work, taking into consideration the work environment, housing, childcare, visas, pensions and salary.
- o. To deliver capital build projects that contribute to the research and Higher Educational objectives of Spurgeon's College.
- p. Create a policy and practice environment that is supportive of wellbeing, where responsibility for wellbeing is shared and owned by all in line with the values of the College.

These revised strategic objectives will be refined further in 2024-2025 and aligned with an agreed operating plan. The College's key performance indicators (KPIs) will be linked to both the strategic objectives and operating plan so that progress can be measured, monitored and evaluated.

Financial review

General (unrestricted) fund

The College recorded a deficit in 2023/2024 of £2,239,201 (2022/2023, £2,059,043), before gains on sale of assets realising £1,598,468 and gains on investments of £31,962.

The major income stream is the fees charged to students. The College continues to be thankful for the donations and legacies which also contribute to the College's income. The College continued to receive public funds from the Office for Students in the form of a teaching and learning grant. This has been recorded in other income with an explanatory note 2a. In the 2023/2024 period, 98% expenditure was on charitable activities and 2% on generating funds (2022/2023, 98% and 2% respectively). The College's operating costs remained consistent with the previous year, with staff working to ensure the College was best placed to meet the increased regulatory and reporting burden associated with the Office for Students and the application process for degree awarding powers.

Restricted and endowment funds

A range of restricted funds appear in the accounts, being money donated for specific purposes such as student support through bursaries and enhanced teaching facilities. The governors are grateful for income received that has supported a range of specific projects.

Total income for the year was £76,920 (2023: £78,318) and total expenditure was £76,411 (2023: £119,817); at the yearend total restricted funds were £781,198 (2023: £780,689). Total endowment funds at the yearend were £451,002 (2023: £431,015)

In July 2024 Spurgeon's College held £517,347 in its endowment portfolio, which constituted the entirety of the available endowment fund. The trustees resolved to borrow £125,000 releasing it from the endowment restriction and using the proceeds to further the purposes of the College. On repayment, which will be within 5 years, the funds will retain their original restrictions and be returned at the same value as July 2024.

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Investment policy

The College's investment portfolios are managed on a discretionary basis by investment managers. The investment objectives of the respective portfolios are set out in an investment policy statement, which also prescribes the ethical policies to be followed by the investment managers. Investments are managed to achieve a balanced return between income and capital growth, generating income for use for current purposes whilst maintaining the value of investments for the benefit of future students. The Finance Committee conducts a review meeting once a year with the investment managers and the independent financial adviser and reviews the performance of investments regularly.

Reserves policy and future prospects

In accordance with Charity Commission guidance, the governors monitor the level of funds held in unrestricted reserves, recognising the pressures caused by the imbalance between income and expenditure at certain times of the year. Whilst income fluctuates over the course of a College year, salaries and other regular monthly costs continue throughout the year. Given the annual shortfalls between College income and expenditure in recent years, it is also necessary to maintain reserves which can help fund shortfalls as and when they occur whilst the governors continue work to return General Fund income and expenditure after the receipt of donations to equilibrium.

The governors have determined that the optimum level of free reserves should be sufficient to cover six month's budgeted operational expenditure, which equals £1,587,000. This compares with the reported unrestricted free reserves of £232,793 as at 31st July 2024 – see Note 15 "Analysis of Net Assets by Fund" for Total Unrestricted Funds less Fixed Assets and related loan funding (Long Term Creditor). The reserves dipped below this in last financial year, in anticipation of the sale of the heritage asset, which was sold post year end for £1.6 million.

The College has been engaged in a development scheme on its main which will result in new academic facilities and infrastructure. A key component part of the business plan for the College is the diversification of income from the design and validation of new programmes, as noted earlier. The development scheme will see a substantial increase in the numbers of students the College can teach on-site in any one hour. The current infrastructure is at its maximum capacity and new lecture facilities are needed to enable the delivery of new programmes, which will see an increase in income from student fees. A full planning submission was submitted in July 2024.

Fundraising activity

The VC and DVC meet with an American Fundraising company called Dunham & Co in April 2024. In partnership with Dunham, a comprehensive fundraising (vision) campaign has been designed and is expected to be launched in autumn of 2024. As part of this vision campaign, our Chancellor, Pastor Rick Warren, has recorded a number of videos to explain to potential donors why the work of Spurgeon's is important for the church in the UK and around the world. We expect the Cases for Support to be sent to individual Christian philanthropists with the hope that the College will see a significant increase in donations in academic year 2024-2025 and in the following years.

SPURGEON'S COLLEGE

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2024

Going concern

The governors have evaluated the appropriateness of using the going concern basis of accounting and have considered possible events or conditions that could raise significant doubt about the charitable company's ability to continue as a going concern. The trustees have conducted this assessment for a period of at least 12 months from the date of approval of the financial statements.

The post-balance sheet events detailed at the end of the accounts (note 21 on page 39) explain that the net current liabilities at the year-end (£4,382,289 - 2 loans falling due for repayment within 12 months) were significantly improved by the repayment of most of the College's loans, which has greatly strengthened its long-term financial position. Additionally, the trustees have carefully reviewed the cash flow projections and the fundraising income required to sustain the College over the next 12 months. They are confident these targets can be achieved, particularly in light of the partnership formed after the year-end. Further details of this assessment can be found in note 1 on page 27.

After the year-end, the governors established a partnership with the Graham Dacre Charitable Foundation, which resulted in £5.4 million of Spurgeon's College loans being repaid. In addition, the Foundation is leading a broader fundraising campaign involving other high-net-worth individuals to support the College.

Based on this, the trustees have a reasonable expectation that the fundraising campaign will secure the resources needed to ensure the College's financial viability and long-term success, although they acknowledge the material uncertainty that exists with any fundraising campaign. Consequently, the governors continue to adopt the going concern basis in preparing the financial statements.

Principal risks, uncertainties and opportunities

The College has continued to implement a number of actions that resulted in a comprehensive governance review undertaken in November 2019. The Audit and Risk committee continues to function effectively and is embedded within the College's normal rhythm of operations. The introduction of three new middle managers within the Operations Department, as a consequence of the governance review, continues to yield the anticipated results, which have been and continue to be felt across the institution. To facilitate its strategic intention to assist in securing the provision of theological education, at university level, in the UK and to implement its programme of new degree creation, the College will seek to employ a Head of Validation.

Maintaining the wide variety of activities of the College is not without its challenges and the governors have sought to manage the risks of such a faith undertaking by identifying the areas of major potential risks as: the College's ongoing challenging financial position, where operating income is less than operating expenditure and the College is dependent on receiving charitable donations and legacies and generating income from other sources; failure to comply with legal requirements and OfS regulation; and the loss of key employees and inability to replace key staff effectively.

The College is vulnerable to a decline in student numbers at a time when church attendance is decreasing and congregations find it more difficult to afford to pay a minister, and the economic situation makes it harder for students to afford even the subsidised fees charged. Many independent theological and bible colleges are struggling to attract sufficient numbers of

SPURGEON'S COLLEGE

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2024

students and are facing financial problems. The College's location in London with a growing and diverse church scene, its evangelical tradition, the TEF Triple Gold award enhancing its reputation for excellence, the variety of courses and modes of study offered, and the introduction of two new degree programmes each year will continue to help mitigate the risk of a decline in student recruitment.

As set out in the financial review section above, a considerable amount of work has been done to realise value from the College's site to ease the challenging financial position. The proposed major development will provide a one-off increase in reserves and provide the opportunity for the College to build new academic buildings. The new academic facilities will provide substantial increased capacity to increase student numbers on its expanding university offer. In this reporting period the College continued to make progress in refining its plan to develop the site to help secure the financial future of the College.

The College's development of the site at Arodene Road (formerly Raleigh Park Baptist Church) not only delivered a significant financial return but also a church hall, which came under ownership of the College in the May 2024. The College sold this hall in the autumn of 2024 for £500,000 generating income to support the College's operations.

The Governors are aware that the College compares well on cost per student in all areas other than regulation and compliance: due to the size of the student body, the cost of fees paid to regulatory bodies, staff costs in academic administration, regulation and compliance areas, and IT costs associated with these areas, is considerably higher per student than for other larger HE providers. This is a source of concern and every effort is made to operate efficiently and cost effectively.

The continued highly respected reputation of the College is crucial to its existence. The College participates actively in the Baptist Union of Great Britain and Evangelical Alliance, and maintains links locally, nationally and internationally. The Council, College Conference (alumni network) and the College's supporter base play a key role as ambassadors for the College.

Governors' responsibilities for the financial statements

The governors (who are also directors of Spurgeon's College for the purposes of company law) are responsible for preparing the Report of the Governors (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland).

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

SPURGEON'S COLLEGE

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2024

The governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 hencefor taking reasonable steps for the prevention of fraud and other irregularities.

Disclosure of information to auditors

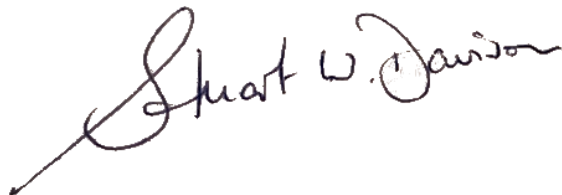
To the knowledge and belief of the governors, there is no relevant information that the College's auditors are not aware of, and the governors have taken all the necessary care to ensure and establish that the auditors are aware of any relevant information

Auditors

Moore Kingston Smith LLP will be proposed for reappointment in accordance with the provisions of the Companies Act 2006 and the Charities Act 2011.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and was approved by the Board of Governors (in their capacity as company directors) on 6th February 2025.

Signed on behalf of the governors:

A handwritten signature in dark ink, reading "Stuart W. Davison". The signature is written in a cursive style with a long, sweeping underline that extends to the left.

Rev Stuart Davison

Chair

06.02.2025

Opinion

We have audited the financial statements of Spurgeon's College ('the charitable company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty relating to going concern

We draw attention to the paragraph relating to going concern in note 1 of the financial statements, which indicates that the charity is heavily reliant on a prospective partnership with another charitable organisation in order to raise the necessary income from fundraising activities to ensure that the College is able to support its charitable objectives and can continue in operational existence for a period of at least twelve months from when the financial statements are authorised for issue. As with any fundraising campaign, its successful outcome is inherently uncertain.

This partnership is expected to be formalised in the immediate future but after these financial statements are approved, and the anticipated benefit from this partnership and the future fundraising income that it may generate will not be visible until later in the current financial year.

As stated in note 1, these events or conditions, along with the other matters as set out in note 1 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the directors 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 annual report, other than the financial statements and our auditor's report thereon. The trustees / governors 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 there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on page 16 the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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 collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date 07/02/2025

9 Appold Street
London
EC2A 2AP

STATEMENT OF FINANCIAL ACTIVITIES (including the Income and Expenditure Account)
FOR THE YEAR ENDED 31st JULY 2024

		Unrestricted Funds	Restricted Funds	Endowment Funds	2024 Total	2023 Total
	Note	£	£	£	£	£
Income from:						
Grant And Fee Income	2a	775,935	51,081	-	827,016	785,869
Donations And Legacies	2b	87,064	10,030	-	97,094	276,985
Investment Income	2c	42,053	13,587	-	55,640	51,531
Other Income	3	130,083	2,222	-	132,305	127,395
Total Income		1,035,135	76,920	-	1,112,055	1,241,780
Expenditure						
<i>Raising Funds</i>						
Costs of raising voluntary income	4	79,539	2,706	5,905	88,150	66,514
<i>Charitable activities</i>						
Student-related expenditure	5	3,189,451	73,655	-	3,263,106	3,234,309
Total expenditure		3,268,990	76,361	5,905	3,351,256	3,300,823
Net expenditure before gains on investments		(2,233,855)	559	(5,905)	(2,239,201)	(2,059,043)
Transfers between funds		50	(50)	-	-	-
Gain/(Loss) on the sale of assets		1,598,468	-	-	1,598,468	130,000
Gain/(Loss) on Investments		6,070	-	25,892	31,962	(14,832)
Movement in funds		(629,267)	509	19,987	(608,771)	(1,943,875)
Gains/(Loss) on revaluation of fixed assets		(8,942)	-	-	(8,942)	395,302
Actuarial gains on DB Pension Scheme		-	-	-	-	-
Net movement in funds		(638,209)	509	19,987	(617,713)	(1,548,573)
Fund balances b/fwd		6,104,928	780,689	431,015	7,316,632	8,865,205
Fund balances c/fwd at 31st July 2024		5,466,719	781,198	451,002	6,698,919	7,316,632

All amounts relate to continuing activities and there are no recognised gains or losses other than those included above

The notes on pages 27 to 39 form part of these financial statements

**STATEMENT OF FINANCIAL ACTIVITIES - DETAILED COMPARATIVE FIGURES
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

		Unrestricted Funds	Restricted Funds	Endowment Funds	2023 Total
	Note	£	£	£	£
Income from:					
Grant And Fee Income	2a	731,414	54,455	-	785,869
Donations And Legacies	2b	266,640	10,345	-	276,985
Investment Income	2c	37,861	13,670	-	51,531
Other Income	3	126,795	600	-	127,395
Total Income		1,162,710	79,070	-	1,241,780
Expenditure					
<i>Raising Funds</i>					
Costs of raising voluntary income	4	57,220	3,513	5,781	66,514
<i>Charitable activities</i>					
Student-related expenditure	5	3,117,253	117,056	-	3,234,309
Total expenditure		3,174,473	120,569	5,781	3,300,823
Net expenditure before gains on investments		(2,011,763)	(41,499)	(5,781)	(2,059,043)
Transfers between funds		-	-	-	-
Gain/(Loss) on the sale of assets		130,000	-	-	130,000
Gain/(Loss) on Investments		(2,866)	-	(11,966)	(14,832)
Movement in funds		(1,884,629)	(41,499)	(17,747)	(1,943,875)
Gains/(Loss) on revaluation of fixed assets		395,302	-	-	395,302
Actuarial gains on DB Pension Scheme		-	-	-	-
Net movement in funds		(1,489,327)	(41,499)	(17,747)	(1,548,573)
Fund balances b/fwd		7,594,255	822,188	448,762	8,865,205
Fund balances c/fwd at 31st July 2023		6,104,928	780,689	431,015	7,316,632

Company Number: 4418151

BALANCE SHEET

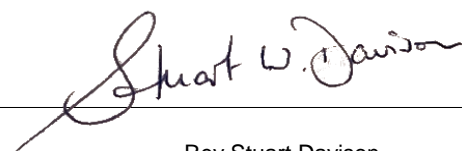
AS AT 31st JULY 2024


		2024	2024	2023	2023
	Note	£	£	£	£
Fixed Assets					
Tangible Fixed Assets	8	10,976,643		11,212,742	
Investments	9	425,786		501,778	
			<u>11,402,429</u>		<u>11,714,520</u>
Current Assets					
Property to be sold	8	500,000		-	
Debtors & Prepayments	10	477,660		1,109,784	
Cash	15	<u>391,696</u>		<u>520,578</u>	
		1,369,356		1,630,362	
Creditors : Amounts falling due within one year					
Creditors & Accruals		5,709,753		594,674	
Fees received in advance		<u>41,892</u>		<u>54,631</u>	
	11a.	5,751,645		649,305	
Net Current Assets / (Liabilities)			(4,382,289)		981,057
Total assets less current liabilities			<u>7,020,140</u>		<u>12,695,577</u>
Creditors: amounts falling due after more than one year	11b.		321,221		5,378,945
Provisions for Defined Benefits Pension Schemes	16		-		-
Net Assets			<u>6,698,919</u>		<u>7,316,632</u>
Represented by Funds					
General Funds	15		5,466,719		6,104,928
Total Unrestricted Funds			<u>5,466,719</u>		<u>6,104,928</u>
Restricted Funds	13		781,198		780,689
Endowment Funds	14		451,002		431,015
	15		<u>6,698,919</u>		<u>7,316,632</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 27 to 39 form part of these financial statements

Approved by the Governors on 06 February 2025 and signed on their behalf by:


 Rev Stuart Davison
 CHAIR


 Rev Prof Philip McCormack
 ACCOUNTABLE OFFICER
 ACCOUNTABLE and TRUSTEE OFFICER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st JULY 2024

	2024 £	2024 £	2023 £	2023 £
Cashflows from operating activities				
Net Expenditure	(608,771)		(1,943,874)	
Adjustments for:				
Depreciation	19,767		23,951	
Loss/(Gain) on investments and investment property	(31,962)		14,833	
Decrease/(increase) in debtors	632,124		(798,176)	
Increase/(Decrease) in creditors (including loans)	5,102,339		(16,405)	
(Increase)/Decrease in current loans	(5,062,760)		5,154	
Increase/(Decrease) in pension provisions	-		-	
Investment Income	(55,640)		(51,531)	
Interest payable	876,643		673,983	
Loss/(Gain) disposed fixed assets	(1,598,468)		(130,000)	
	<u>(117,957)</u>		<u>(278,191)</u>	
Cash flows used in operations		(726,728)		(2,222,065)
Cash flows from investing activities				
Proceeds from sales of tangible assets	1,598,468		670,000	
Proceeds on disposal of investments	223,892		149,775	
Investment Income	55,640		51,531	
Purchase of Property, Plant and Equipment	(292,609)		(368,036)	
Purchase of investments	<u>(115,938)</u>		<u>(132,341)</u>	
		1,469,453		370,929
Cashflows from financing				
Interest paid on loans		(876,643)		(673,983)
Proceeds from new loans	-		5,050,000	
Repayment of loans	5,036		(2,333,793)	
		<u>5,036</u>		<u>2,716,207</u>
Net increase/(decrease) in cash		<u>(128,882)</u>		<u>191,088</u>
Cash at the beginning of the year		<u>520,578</u>		<u>329,490</u>
Cash at the end of the year		<u>391,696</u>		<u>520,578</u>

Analysis of cash and cash equivalents and changes in net debt

	At 1st August 2023 £	Cashflows £	At 31st July 2024 £
Cash at Bank	520,578	(128,882)	391,696
Loans	(5,718,307)	(5,036)	(5,723,343)
	<u>(5,197,729)</u>	<u>(133,918)</u>	<u>(5,331,647)</u>
	At 1st August 2022 £	Cashflows £	At 31st July 2023 £
Cash at Bank	329,490	191,088	520,578
Loans	(3,002,100)	(2,716,207)	(5,718,307)
	<u>(2,672,610)</u>	<u>(2,525,119)</u>	<u>(5,197,729)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

1 ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards, and accordance with The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011. They are drawn up on the historical accounting basis, except as stated in sub paragraph 1.5. The charity meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The governors have evaluated the appropriateness of using the going concern basis of accounting and have considered possible events or conditions that could raise significant doubt about the charitable company's ability to continue as a going concern. The trustees have conducted this assessment for a period of at least 12 months from the date of approval of the financial statements.

The post-balance sheet events (note 21) explain that the net current liabilities at the year-end (£4,382,289 - 2 loans falling due for repayment within 12 months) were significantly improved by the repayment of most of the College's loans, which has greatly strengthened its long-term financial position. Additionally, the trustees have carefully reviewed the cash flow projections and the fundraising income required to sustain the College over the next 12 months. They are confident these targets can be achieved, particularly in light of the partnership formed after the year-end.

After the year-end, the governors established a partnership with the Graham Dacre Charitable Foundation, which resulted in £5.4 million of Spurgeon's College loans being repaid. In addition, the Foundation is leading a broader fundraising campaign involving other high-net-worth individuals to support the College.

Based on this, the trustees have a reasonable expectation that the fundraising campaign will secure the resources needed to ensure the College's financial viability and long-term success, although they acknowledge the material uncertainty that exists with any fundraising campaign. Consequently, the governors continue to adopt the going concern basis in preparing the financial statements.

1.3 Student fees, grants receivable, income from student accommodation and donations

Fees are recognised in the year to which they relate. Where debts exceed 3 years a 100% provision is made.

1.4 Legacies

Legacies are normally accounted for when received, and adjusted for legacies notified during the year but received after the year end.

1.5 Fixed assets and depreciation

The company owns the land and buildings of the college site at Spurgeon's College, South Norwood Hill, London SE25 6DJ.

In the past, the charity has taken the advantage of the option to use the value of land and buildings at the date of transition to FRS 102 (1st September 2014) as deemed cost and no depreciation was charged in respect of freehold land and buildings.

During the 2020/21 year, the trustees chose to change the accounting policy to hold land and buildings at fair value. The trustees believe that this gives a more reliable reflection of the company's ability to fulfil its charitable objectives.

Properties are maintained in a good state of repair prolonging their useful life and enhancing their residual value. The directors consider the useful economic life of the property to be in excess of 50 years, and that it did not diminish during the period under review. Consequently, no charge for depreciation is made.

The Trustees carry out an annual review to consider the useful life and estimated residual value of the properties; this includes reviewing for any impairment.

Tangible fixed assets costing £1,000 or more are capitalised at cost. Depreciation is provided on all tangible fixed assets calculated to write off the cost on a straight line basis over their expected useful economic life as follows:-

Computer equipment	3 years	Heating Plant	10 years
Furniture and office equipment	5 years	Building improvements	20 years

Motor vehicles are depreciated over 5 years using a reducing balance with a residual value of 10%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

1.6 Investments

Investments are stated in the financial statements at market value.
The historical cost is set out in Note 9.

1.7 Funds

Certain items of income and expenditure which relate to such funds created for specific purposes are taken directly to the appropriate restricted and endowment funds.

1.8 Taxation

The College is a registered charity under the Charities Act 2011 & has been recognised by Her Majesty's Revenue and Customs. Therefore no liability to corporation taxation arises on its charitable activities.

1.9 Expenditure

Expenditure is accounted for on an accruals basis. All charitable expenditure in furtherance of the charity's objectives relate to the provision of educational services. Costs of raising funds includes cost directly attributable for the provision of the charitable objectives.

1.10 Operating Lease Policy

Rentals payable under operating leases are charged on a straight line basis to the statement of financial activities over the term of the lease.

1.11 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the governors to have the most significant effect on amounts recognised in the financial statements.

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

See note 8 for the carrying amount of the property, plant and equipment and note 1.4 above for the useful economic lives for each class of asset.

1.12 Corporate Governance and Internal Control

The College Board of Governors is responsible for the statutory oversight of the College to ensure it meets the standards of a charity, a company and a higher education institution which has access to public funds. In doing so it recognises the core values and primary elements of governance as set out in the Committee of University Chairs (CUC) Higher Education Code of Governance. The Board is responsible for ensuring the College has in place the physical and human resources to meet the needs of its students and for ensuring the enhancement of the learning experience and the maintenance of its academic standards. The directors meet for full Board meetings at least six times per academic year with additional meetings held with the agreement of the Chair of the Board. The College Principal and Senior Management Team keeps the Board informed of all relevant activity and the governors undertake all relevant and necessary training. The Principal is a member of the board and the College executive are always in attendance at Board meetings. The College conducts its business through the following committees, which all have core external committee members:

- Academic Board
- Governance Group
- Equality, Diversity and Inclusion Monitoring Group
- Finance Committee
- Audit and Risk Committee
- Access and Participation Monitoring Group
- Nominations Committee
- Process Monitoring Group
- Development Group
- Marketing, PR and Income Generation Group
- Safeguarding Committee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £	2023 Total £
2a GRANT AND FEE INCOME					
Grant income from OfS	14,828	682	-	15,510	13,241
Grant income from other bodies	-	50,399	-	50,399	53,601
Fee Income for taught awards (ex VAT)	537,744	-	-	537,744	494,140
Fee income for research awards (ex VAT)	-	-	-	-	-
Fee income from non-qualifying courses (ex VAT)	223,363	-	-	223,363	224,887
	775,935	51,081	-	827,016	785,869
2b DONATIONS AND LEGACIES					
Donations	66,565	10,030	-	76,595	175,841
Legacies received	20,499	-	-	20,499	101,144
	87,064	10,030	-	97,094	276,985
2c INVESTMENT INCOME					
Rent from properties	23,200	1,632	-	24,832	26,887
Dividends and interest on investments	2,573	11,955	-	14,528	14,629
Bank interest	16,280	-	-	16,280	10,015
	42,053	13,587	-	55,640	51,531
3 OTHER INCOME					
Validation activities	42,825	-	-	42,825	30,000
Residences operations	21,820	-	-	21,820	21,800
Catering	27,871	-	-	27,871	22,397
Sundry Income	37,567	2,222	-	39,789	53,198
	130,083	2,222	-	132,305	127,395
4 COSTS OF RAISING FUNDS					
Publicity and Fundraising expenses	78,268	2,706	-	80,974	59,489
Investment Management Charges					
General Fund	1,271	-	-	1,271	1,244
General Bursary Fund	-	-	1,829	1,829	1,790
Pringle Fund	-	-	734	734	719
Vectis Fund	-	-	2,751	2,751	2,693
Copley Fund	-	-	591	591	579
	79,539	2,706	5,905	88,150	66,514

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

5 Student-Related Expenditure

				2024	2023
SUMMARY OF EXPENDITURE	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
	£	£	£	£	£
Tuition Costs	1,294,692	70,736	-	1,365,428	1,343,885
Domestic Costs	186,147	74	-	186,221	170,423
Establishment Costs	303,886	-	-	303,886	254,393
Administration Expenses	1,367,145	2,845	-	1,369,990	1,428,887
Governance Cost (Note 7)	37,581	-	-	37,581	36,721
	3,189,451	73,655	-	3,263,106	3,234,309

TUITION COSTS

Tutors' salaries, NI & pension contributions	773,547	-	-	773,547	795,952
Visiting tutors and examining costs	86,793	682	-	87,475	23,740
Travel allowances and expenses	12,314	787	-	13,101	30,820
Computer and network support	174,097	461	-	174,558	169,180
Property expenses	1,148	516	-	1,664	4,250
Student registration and validation fees	92,702	-	-	92,702	98,627
Miscellaneous tuition expenses	40,416	31	-	40,447	41,181
Library purchases	75,417	-	-	75,417	47,191
Depreciation of computer equipment	4,171	-	-	4,171	5,701
Student support and other disbursements	14,100	68,259	-	82,359	127,243
Sundry expenses	19,987	-	-	19,987	-
	1,294,692	70,736	-	1,365,428	1,343,885

DOMESTIC COSTS

Contract Catering	129,409	74	-	129,483	116,895
Domestic expenses	54,361	-	-	54,361	51,615
Depreciation of equipment	2,377	-	-	2,377	1,913
	186,147	74	-	186,221	170,423

ESTABLISHMENT COSTS

Light and heat	97,583	-	-	97,583	90,491
Rates and insurance	37,974	-	-	37,974	28,637
Repairs and maintenance	52,942	-	-	52,942	36,060
Repairs - Nurseries House	-	-	-	-	(11)
Salaries, NI and pension contributions	102,618	-	-	102,618	82,880
Depreciation	12,769	-	-	12,769	16,336
	303,886	-	-	303,886	254,393

ADMINISTRATION EXPENSES

Salaries, NI and pension contributions	395,509	-	-	395,509	356,768
Printing postage and stationery	21,008	-	-	21,008	23,702
Telephones	18,259	-	-	18,259	17,101
Travel, Training and entertaining	3,940	-	-	3,940	624
Finance expenses	882,036	-	-	882,036	933,846
Professional fees	37,945	-	-	37,945	85,014
Sundry Expenses	7,802	2,845	-	10,647	11,004
Depreciation	450	-	-	450	-
Equipment	196	-	-	196	828
	1,367,145	2,845	-	1,369,990	1,428,887

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

6 ACCESS AND PARTICIPATION

	2024	
	Actuals	Per Plan
	£	£
Access Investment	12,000	12,000
Financial Support	64,828	65,000
Support for disabled students	-	-
Research and Evaluation	10,000	10,000
	<u>86,828</u>	<u>87,000</u>

7 GOVERNANCE COSTS

General Fund		2024	2023
		£	£
Auditor's Remuneration	Annual audit	35,000	34,355
	Prior year adjustment	-	-
		<u>35,000</u>	<u>34,355</u>
Governors' expenses reimbursed		2,581	2,366
		<u>37,581</u>	<u>36,721</u>

8 TANGIBLE FIXED ASSETS

	Properties	Building improvements	Equipment	Assets Under Construction	TOTAL	Current Assets To be sold
For use by Charity	£	£	£	£	£	£
Cost & Valuation						
At 1st Aug 2023	9,210,000	186,578	142,482	1,945,901	11,484,961	-
Revaluations	-	-	-	(8,942)	(8,942)	-
Additions	-	-	17,222	275,387	292,609	-
Transfer to current assets	-	-	-	(500,000)	(500,000)	500,000
Disposals	-	-	(3,835)	-	(3,835)	-
At 31st Jul 2024	9,210,000	186,578	155,869	1,712,346	11,264,793	500,000
Depreciation						
At 1st Aug 2023	-	146,117	126,102	-	272,219	-
Charges	-	11,385	8,381	-	19,767	-
Disposals	-	-	(3,835)	-	(3,835)	-
Change for the period	-	11,385	4,546	-	15,932	-
At 31st Jul 2024	-	157,502	130,648	-	288,151	-
Net Book Value						
At 1st Aug 2023	9,210,000	40,461	16,380	1,945,901	11,212,742	-
At 31st Jul 2024	<u>9,210,000</u>	<u>29,076</u>	<u>25,221</u>	<u>1,712,346</u>	<u>10,976,643</u>	<u>500,000</u>

All fixed assets are held for direct charitable use.

The properties of the college beyond the main site were revalued by Kempton Carr Croft and are now held at market value as at March 2022.

The property of Arodene Road which had been under construction had been valued as at 31/07/2023 at £560,000 (it was valued at 75% complete in 2023 and is now complete); the revaluation in conjunction with capitalised costs takes the holding value to this. This has now been sold after the year end for £500,000 and the holding value adjusted to this figure, along with the revaluation adjusted for the £60,000 lower value than original valuation.

The college van was scrapped using the TfL scrappage scheme and sent to Ukraine; a replacement van was bought using the funds received.

The College sold its Spurgeon heritage collection to another educational institution for the purposes of research for £1.6 million. It was not recognised in the accounts prior to this as it had no value.

The net book value at 31st Jul 2024 represents fixed assets used for charitable purposes. Previously fully depreciated and unused equipment has been disposed/scrapped in the year under review.

Assets under construction represent costs incurred in the development of the College campus that will be used for a mixture of Charitable and Non-Charitable purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

9 INVESTMENTS

a) Fixed interest and equity-based Investments

	General Fund £	General Bursary Fund £	Pringle Fund £	Vectis Fund £	Copley Fund £	Cudlip Fund £	Total £
At Valuation							
At 1st August 2023	93,400	118,344	47,514	178,073	38,271	26,176	501,778
Purchases	20,533	29,541	11,860	44,451	9,553	-	115,938
Disposals	(39,651)	(57,048)	(22,904)	(85,840)	(18,449)	-	(223,892)
Gain/(Loss)	6,070	7,285	2,925	10,962	2,356	2,364	31,962
At 31st July 2024	80,352	98,122	39,395	147,646	31,731	28,540	425,786
Represented by –							
Fixed interest securities	12,566	18,079	7,258	27,203	5,846	-	70,952
Equities	17,693	25,456	10,220	38,304	8,232	-	99,905
Investment & unit trusts	50,093	54,588	21,916	82,139	17,653	28,540	254,929
Value of Investments at Market Value	80,352	98,123	39,394	147,646	31,731	28,540	425,786
Securities at Historical Cost							
At 1st August 2023	85,949	108,045	43,379	162,576	34,941	28,628	463,518
At 31st July 2024	73,345	89,911	36,098	135,289	29,076	28,628	392,347

All these investments are listed on a recognised Stock Exchange or are ones valued by reference to such investments, such as unit trusts and common investment funds.

Borrowing from Permanent Endowment

In July 2024 Spurgeon's College held £517,346 in its endowment portfolio. The trustees resolved to borrow £125,000 releasing it from the endowment restriction and using the processed to further the purposes of the College. On repayment of the same amount, which will be within 5 years, the funds will retain their original restrictions.

10 DEBTORS

	2024 £	2023 £
Amounts falling due within one year		
Trade Debtors	154,403	145,670
Gift Aid Receivable	15,154	11,078
Prepayments	292,784	924,268
Sundry Debtors	15,319	28,768
	<u>477,660</u>	<u>1,109,784</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

11 CREDITORS

	2024	2023		
	£	£		
a. Amounts falling due within one year				
Loans	5,402,122	339,362		
Other Creditors & Accruals	255,423	232,964		
Taxation and Social Security	52,208	22,348		
Fees received in advance	41,892	54,631		
	<u>5,751,645</u>	<u>649,305</u>		
b. Amounts falling due after one year				
Loans	<u>321,221</u>	<u>5,378,945</u>		
There are three interest-bearing loans:	Type	Duration left	Rate	Amount o/s
Against 191 South Norwood Hill	Repayment	9 years	BoE base rate + 3.00%	328,997 (BUC)
Against 76 South Norwood Hill	Interest	10 months	BoE base rate + 7.00%	344,346 (BUC)
Against 189 South Norwood Hill	Interest	3 months	BoE base rate + 10.75%	5,050,000
	Loans falling due within 1 year:		5,402,122	
	Loans falling due after 1 year:		<u>321,221</u>	
	Total:		<u>5,723,343</u>	<u>5,723,343</u>

See note 18 for additional information in relation to these loans.

12 Transfers Between Funds

£50 - Restricted gift for heating transferred to General Fund to refund payment of heating bill

£1,368 - Principal's Fund to Ethics Conference Fund - was to be paid from Principal's fund

£2,622 - General Bursary to Lamplighters Fund - The General Bursary income is used in conjunction with the Lamplighter's fund (to which people donate) for giving bursaries

13 Restricted Funds

	Fund Balance 1st August 2023	Income	Expenditure	Transfers	Fund Balance 31st July 2024
	£	£	£	£	£
Frank Fitzsimmonds Bursary Fund	6,600	-	-	-	6,600
Baptist Union Bursary Fund	5,185	48,399	(50,612)	-	2,972
General Bursary - Income	21,239	3,702	(2,932)	(2,622)	19,387
Pringle Bursary - Income	1,912	1,786	-	-	3,698
Vectis Fund - Income	10,957	5,570	(1,000)	-	15,527
Copley Fund - Income	1,205	1,197	(1,000)	-	1,402
Lamplighters Bursary	12,043	2,075	(9,615)	2,622	7,125
Conference Communion	175	-	-	-	175
Nott Fund	653,247	1,632	(637)	-	654,242
Restricted Gifts	10,960	3,358	(1,494)	(50)	12,774
Oversea Student	600	-	(600)	-	-
Learning Support	694	120	-	-	814
Pioneer Project	20,744	-	-	-	20,744
Principal's fund	2,413	6,149	(3,330)	(1,368)	3,864
Ethics Conference	-	-	(1,368)	1,368	-
Student Rep	1,916	-	(91)	-	1,825
Theology of Law Course	799	500	(1,250)	-	49
The Rev Dr Curdell McLeod Bursary	-	1,250	(1,250)	-	-
Fund Raiser	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
	<u>780,689</u>	<u>75,738</u>	<u>(75,179)</u>	<u>(50)</u>	<u>781,198</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

Movements in comparative period

	Fund Balance 1st August 2022 £	Income £	Expenditure £	Transfers £	Fund Balance 31st July 2023 £
Frank Fitzsimmonds Bursary Fund	8,200	-	(1,600)	-	6,600
Baptist Union Bursary Fund	47,898	53,601	(96,314)	-	5,185
General Bursary - Income	17,512	3,727	-	-	21,239
Pringle Bursary - Income	3,497	1,797	(3,382)	-	1,912
Vectis Fund - Income	9,348	5,609	(4,000)	-	10,957
Copley Fund - Income	-	1,205	-	-	1,205
Lamplighters Bursary	13,195	2,930	(4,082)	-	12,043
Conference Communion	175	-	-	-	175
Nott Fund	652,859	1,632	(1,244)	-	653,247
Restricted Gifts	10,226	1,384	(650)	-	10,960
Oversea Student	600	-	-	-	600
Learning Support	474	220	-	-	694
Pioneer Project	20,744	-	-	-	20,744
Principal's fund	4,745	3,835	(6,167)	-	2,413
Student Rep	1,916	-	-	-	1,916
Theology of Law Course	799	2,000	(2,000)	-	799
OfS Hardship Funding	-	378	(378)	-	-
Fund Raiser	30,000	-	-	-	30,000
	822,188	78,318	(119,817)	-	780,689

Frank Fitzsimmonds Bursary Fund - A bequest given to assist deserving undergraduate students with their course fees whilst in full time training at Spurgeon's College for the Baptist Ministry.

Baptist Union Bursary Fund - This fund is from "Baptists Together" and is to help Baptist Union Ministers in Training with their fees and/or living costs.

Income Funds (General Bursary, Pringle Bursary, Vectis Fund, Copley Fund) - Income derived from the investments held in these Funds (see note 14) is applied to provide assistance with students' fees and charges, or in the case of the Cudlip Legacy, for general College purposes.

Lamplighters Fund - To receive donations from 'Lamplighters' and others who wish to provide direct assistance to students who are unable to pay full fees.

Conference Communion Fund - A pastoral fund, administered by the Principal, established by past and present students of the College for the benefit of colleagues experiencing personal financial difficulties.

Nott Fund - In 1976 Miss Dorothy Nott made a bequest to the College of the residue of her estate for the purpose of helping retired ministers and missionaries who were former students of the College. A property in Beckenham, 7 Glanfield Road, valued at £625,000, is held for the benefit of retired members of the College.

Restricted Gift Fund - This includes gifts towards specific projects.

Oversea Student - This fund was established to provide assistance to overseas students.

Learning Support - A fund established to assist students with additional support needs in their studies.

Pioneer Fund - Grant received from BU Newington Court for the writing of a pioneer pathway for ministerial training.

Principal's Fund - This includes gifts specifically for use at the Principal's discretion.

Ethics Conference fund - This fund was used to track spending at an Ethics Conference which the Principal attended.

Student Rep - A fund established to be used by the student representatives.

Theology of Law Course - This fund is to help with the fees of students studying on the theology of law unit.

The Rev Dr Curdell McLeod Bursary - This bursary is given to students of African and/or Caribbean heritage who are training for

OfS Hardship Funding - This fund was received from the Office for Students to help students who were struggling financially.

Fund Raiser - This fund was received for use in employing a fund raiser.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

14 Endowment Funds

	Fund Balance 1st August 2023	Transfer (to)/from General Fund	Investment Management Charges	Investment Gains/(Losses)	Fund Balance 31st July 2024
	£	£	£	£	£
General Bursary	125,353	-	(1,829)	7,285	130,809
Pringle Bursary	50,328	-	(734)	2,925	52,519
Vectis Fund	188,620	-	(2,751)	10,962	196,831
Copley Fund	40,538	-	(591)	2,356	42,303
Cudlip Legacy	26,176	-	-	2,364	28,540
	<u>431,015</u>	<u>-</u>	<u>(5,905)</u>	<u>25,892</u>	<u>451,002</u>

Movements in comparative period

	Fund Balance 1st August 2022	Transfer (to)/from General Fund	Investment Management Charges	Investment Gains/(Losses)	Fund Balance 31st July 2023
	£	£	£	£	£
General Bursary	130,420	-	(1,790)	(3,277)	125,353
Pringle Bursary	52,362	-	(718)	(1,316)	50,328
Vectis Fund	196,244	-	(2,693)	(4,931)	188,620
Copley Fund	42,177	-	(579)	(1,060)	40,538
Cudlip Legacy	27,559	-	-	(1,383)	26,176
	<u>448,762</u>	<u>-</u>	<u>(5,780)</u>	<u>(11,967)</u>	<u>431,015</u>

The income earned on the first four of these endowments is recorded in the related restricted funds (see note 13). The income on the Cudlip legacy is credited to the General Fund.

General Bursary Fund - Income derived from the investments held in this Fund is applied to provide assistance with students' fees and charges.

for a pastoral studies student not otherwise receiving any financial assistance from public funds. Preference is to be given to a student normally resident in the area of the former Lancashire & Cheshire Baptist Association (now the North Western Baptist Association).

The Vectis Fund - This fund is an endowment established in 2003 and added to in 2011 to provide assistance to either:-

- (1) students from the Isle of Wight, Hampshire or Dorset who :-
 - have the insight and ability to develop a strong pastoral role, or
 - are preparing for overseas mission, or
 - are studying on the evangelists' course; or

- (2) exceptional students from overseas who intend to return to their own country.

The Copley Fund - This fund was set up in 2003 by a bequest under the will of Edith Copley in memory of her parents John and Sarah Ann Copley. The object of the bequest was to provide assistance to any persons, with preference given to those from Yorkshire, who wish to study at Spurgeon's College with a view to entering the Baptist ministry, whom the governing body considers would be unable to do so without such assistance.

The Cudlip Legacy - A bequest from the estate of Miss Edith Mary Cudlip who died in March 2008. Under the terms of her will Miss Cudlip left the College a one thirteenth share of the residual estate with the proviso that the amount realised should be invested and the interest received should be used as a donation.

15 Analysis Of Net Assets Between Funds

	General	Restricted	Endowment	Total 2024
	£	£	£	£
Tangible fixed assets	10,351,643	625,000	-	10,976,643
Investments	80,352	-	345,434	425,786
Cash at bank and in hand	232,793	156,198	2,705	391,696
Other net Current Assets	(4,876,848)	-	102,863	(4,773,985)
Long term creditor	<u>(321,221)</u>	<u>-</u>	<u>-</u>	<u>(321,221)</u>
	<u>5,466,719</u>	<u>781,198</u>	<u>451,002</u>	<u>6,698,919</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

16 Staff Costs Of Permanent Employees

	2024	2023
	£	£
Salaries	1,142,750	1,062,253
National Insurance costs	102,804	96,717
Pension costs: Scottish Life - 11 (12) members	39,551	36,202
Baptist Pension Scheme - 25 (22) members	66,873	57,360
	1,351,978	1,252,532

The average weekly number of employees during the year, calculated on a full-time equivalent basis, was 31 (2023:32). The Average head count was 52 (2023:51). No employee received remuneration of more than £60,000 in the current or prior year.

The salary and employer's national insurance contributions paid during the year in respect of the College Principal (who is also a Governor of the college), in respect of his teaching and administrative duties, as authorised by the Articles of Association, amounted to £61,809 (2023: £51,242).

The College also made pension contributions of £5,542 (2023: £4,500) for the College Principal, along with non-taxable benefits of £36,000 (2023: £36,000) and a proportional bonus (given to all staff) of £0 (2023: £1,000).

The median basic remuneration for the year was £28,506 (2023: £25,777); the Principal's basic remuneration was 1.9 (2023: 1.7) times this. The median total remuneration pay for the year was £31,378 (2023: £31,507); the Principal's total remuneration was 3.3 (2023: 2.9) times this.

The cost of employment of key management staff which includes Salary, proportional bonuses, Pension Contributions and employer NI contributions amounted to £210,453 (2023: £151,923). The key management staff include Vice Principal (Academic Director), Vice Principal (Director of Ministerial Formation) and the Chief Operating Officer.

During the year to 31st July 2024, the College made pension contributions in respect of 11 members of staff (2023: 12) into a defined contribution pension scheme where the assets are held separately from those of the Charity in independently administered funds.

The College also participates, on behalf of another 25 (2023: 22) members of staff, as an employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the scheme are held separately from those of the Employer and the other participating employers.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

Since January 2012, pension provision has been made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. [Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.]

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 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 contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time. The Ministers and members of the staff are eligible to join the Scheme.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

16 Staff Costs Of Permanent Employees (continued)

Actuarial Valuation and Deficit recovery

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The College and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows

Type of assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pension increases	
Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme was due to take place not later than as at 31 December 2022. However, the DB Plan is to be wound up, and the process to wind it up was started with effect from 31 March 2024 and therefore no formal valuation is due to take place.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions were payable until June 2026.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and, following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022. These contributions are payable under the recovery plan until June 2026. The outstanding deficiency contributions due under the Recovery Plan are not considered material and therefore have not been included in the balance sheet.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2024	2023
	£	£
Balance sheet liability at the start of the year	-	-
Minus deficiency contributions paid	-	(12)
Plus Interest cost	-	12
Actuarial (gains)/losses on re-measurement of liability	-	-
Balance sheet liability at the end of the period	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

16 Staff Costs Of Permanent Employees (continued)

The key financial assumptions underlying the valuation were as follows:

Accounting date	31/07/2024	31/07/2023	31/07/2022
Discount rate	N/A	N/A	4.0%
Future increases to Minimum Pensionable Income	N/A	N/A	0.0%

17 Governors' Remuneration And Loans

Governors are not paid for their services as governors (except as regards the College Principal – see note 16 on the previous page). Reimbursements of £2,581 (2023: £2,366) were paid to four governors for directly incurred travel and other expenses. During the year none of the governors received a loan from the charity.

18 Related Party Transactions

The College Principal is also a Baptist Union trustee. The College has two loans with the Baptist Union Corporation (see note 11). During the year loans totalling £0 (2023: £2,328,136) were repaid. The total amount outstanding as at 31st July 2024 was £673,343 (2023: £668,307). The College also received Baptist Union grant money for the year totalling £48,399 (2023: £53,601).

A staff member is also the moderator of the Baptist Union Corporation Council

During the year the charity made purchases of £693 (2023: £1,171) from the charity Book Aid of which a staff member is a trustee.

During the year donations totalling £3,100 (2023: £1,080) from the trustees were received by the charity.

A Governor is also a student on courses with fees of £250 (2023: £270).

19 Status of the company

The company is limited by guarantee. The number of members of the Council at the year end was 36 (2023: 36). In the event of a winding-up of the company, the maximum liability of each Council member is £10.

20 Commitments Under Operating Leases

At 31st July 2024 the college was committed to making the following payments for operating leases:

	2024 £	2023 £
Within:		
Less than One Year	20,716	30,539
In two to five years	9,063	27,637
Greater than five years	31	-
	<u>29,810</u>	<u>58,176</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2024 (continued)**

21 Post Balance Sheet Events

After the year end the College has sold the property in Arodene Road for £500,000; this property was classified as Property to be Sold under Current Assets on the balance sheet.

Since 2003, Spurgeon's College's accounts have combined the reporting requirements for the Falklands Park Trust, as a linked charity. The Falklands Park Trust has held the land and buildings for the use and occupation of Spurgeon's College. Spurgeon's College has been the corporate trustee of Falkland Park Trust since 2003.

Separately to this, following the year end, Spurgeon's College formed a partnership with the Graham Dacre Charitable Foundation which has provided financial support through donations. Throughout 2024/25 the College will receive further donations from the Foundation as part of its format commitment to ensuring the College's financial stability.

As part of this partnership, the Graham Dacre Charitable Foundation repaid £5.4 million of the College's loans, eliminating these liabilities from Spurgeon's Colleges balance sheet. In addition, Spurgeon's College resigned as the corporate trustee of the Falkland Park Trust and the trustees of the Graham Dacre Charitable Foundation became the trustees of the Falkland Park Trust the entity that holds the designated land and buildings for Spurgeon's College. The Foundation took a charge of £5.4 million over the assets held in the Falkland Park Trust

Following the change of trusteeship, an application has now been submitted to the Charity Commission to formally unlink the two charities.

Going forward Spurgeon's College will no longer include the value of the land and buildings of the Falkland Park Trust on its balance sheet. Instead a separate set of accounts will be prepared and filed for the Falkland Park Trust. The Falkland Park Trust has offered the use of the land and buildings to Spurgeon's College under a formal lease agreement for a peppercorn rent to the end of July 2027.