

Company No. 5543940

Charity No. 1111609

**St Paul's Theological Centre**  
**(A Charitable Company Limited By Guarantee)**  
**Trustees' Report and**  
**Financial Statements**  
**For the year ended 31 December 2021**

## **St Paul's Theological Centre**

### **Financial statements for year ended 31 December 2021**

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# ST PAUL'S THEOLOGICAL CENTRE

Trustees' Annual Report for the year ending 31 December 2021

## Reference and administrative information

The registered name of the Charity is St Paul's Theological Centre.

Company number: 5543940

Charity Registration Number: 1111609

Principal and Registered Office: Holy Trinity Brompton, Brompton Road, London, SW7 1JA.

Trustees:

Revd Nicky Gumbel (Chair)  
Angus Winther (Vice Chair)  
Michael Lee (Treasurer)  
Andrew Brydon  
Genevieve Mensah  
Revd Helen Shannon  
James Orr  
Jeremy Jennings  
Kathleen Chew  
Revd Miles Toulmin  
Revd Richard Coates  
Sarah Jackson  
Sir Paul Marshall (resigned 13 October 2021)

Company Secretary: Mr Jon Shippen

Bankers: National Westminster Bank PLC, 186 Brompton Road, London, SW3 1XJ.

Auditors: Moore Kingston Smith LLP, 6th Floor, 9 Appold Street, London, EC2A 2AP

## Objectives and activities

The main aim of the Charity, as laid out in its governing document, is to provide theological education on all aspects of the Christian life and faith in accordance with Biblical principles.

The vision of SPTC is to help bring theology back into the heart of the church and with this in mind it has four related aims:

1. To provide training in theology and Christian practice for lay people.
2. To establish a new opportunity for Church leadership training.
3. To be a theological resource for the benefit of both HTB and Alpha.
4. To help other churches develop their own theological training.

We have set out below our priorities, activities and achievements in 2021 in pursuit of our aims:

1. **Restructuring:** With new leadership in the Autumn of 2020 with the appointment of Revd Russell Winfield as Principal, , we undertook a review of our internal structures to ensure staffing, leadership and governance is effective and fit for purpose to serve the vision and support Russell as he spearheads the aims of the charity.
2. **Communication:** We sought to strengthen our communication during a period where this felt a more acute need than ever before as a result of the coronavirus pandemic, in both a more disconnected society, but also an increasingly technologically literate one. As part of this we sought to continue to improve how we share our narrative with others, communicating good news, ensuring accurate representation of our voice, and effective marketing and PR as we seek to strengthen our external messaging.

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## Trustees' Annual Report for the year ending 31 December 2021

3. **Academic life:** We have continued to invest in ways to create an environment where staff thrive in their personal vocation and faith and where the pursuit of the mind is celebrated. This includes creating space for the academic team to pursue research, publish and develop their future careers, as well as for all staff to have space to read, think, discuss and pray.
4. **Lay Training:**
  - We continued to deliver the range of programmes we offer uninterrupted throughout 2021 – primarily online during the first half of the year in response to the covid-19 pandemic restrictions, returning largely to in-person during the Autumn of 2021 as restrictions eased.
  - A number of courses in lay training at certificate, diploma, Bachelor's degree and Master's degree level, as well as the Beginning Theology course are available on weekdays through St Mellitus College (SMC), supported by SPTC. In 2021 84 students not pursuing ordination were engaged in these programmes.
5. **Introductory programme:** In 2021 School of Theology continued to run on Thursday evenings during the first half of the year (January – July), running six bite-sized three-week courses across three tracks: Bible Track, Faith Track and Life Track, all of which ran online in response to the pandemic, reaching around 330 people. Having seen positive engagement with the online provision, which also expanded our reach nationally, and even internationally, we therefore decided to continue with an online offering called 'School of Theology Connect' from the Autumn 2021 term, alongside an in-person option. School of Theology has moved to Monday evenings, run as a four-week course, alternating between in person at Courtfield Gardens and online via Zoom. We hope this will open accessibility to a far greater audience, whilst also offering the gathered community option for those who prefer in-person. In the Autumn 2021 around 70 people joined these courses, totalling just over 400 course participants across the year. These courses are part of how we serve the church and act as an entry point for many people who go on to consider ordination or further theological study.
6. **Ordination training and Discernment:**
  - Having pioneered context-based theological training when launched in 2007, innovation is at the core of the college and we want to continue to press into this as we further develop online learning and hybrid training models that combine the latest pedagogical approaches alongside proven methods of engagement. We currently have 146 ordinands training at SPTC – as part of SMC.
  - September 2021 saw the launch of a new afternoon program for those in ordination training, 'The Forge', designed to help students develop habits of spiritual devotion. Its aim is to build year upon year. Ordinands will have an opportunity in their formation groups to listen to a variety of speakers, study the Bible and discuss spiritual growth and Christlikeness. The programme contains 3 streams: Christ-like Disciples; Missional Church and Transformed World, which embeds the qualities of the new selection framework.
  - In September 2020 we piloted a new discernment and training pathway towards Church of England ordination for mature lay leaders with leadership experience, enabling them to train for the diaconate within one year. The Caleb stream aims to mobilise a generation rich in Christian leadership and life experience to serve in parishes across the UK. In July 2021 the first candidate was ordained and a total of ten candidates started in September 2021 in partnership with six dioceses. Delivery is through a hybrid of online and in-person, utilising learnings from the pandemic.
  - The Peter Stream is a yearlong programme designed to identify and encourage the gifts and calling of people. It offers a distinctive experience of discernment, complementing the Church of England processes and seeks to redress underrepresentation in ordained leadership in the Church of England — ethnic, social, educational — and is open to candidates who have faced exclusion due to these reasons. In June 2021 the first four Peter Stream candidates from the pilot scheme were ordained and 18 candidates completed the Peter Stream year. In September 2021 30 new candidates joined the Peter Stream. In total 71 candidates were engaged on the Peter Stream in 2021.

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## Trustees' Annual Report for the year ending 31 December 2021

### 7. Developing Theological Resources:

- Godpod - Theological discussions on current issues are available via a monthly podcast called Godpod which has around 2,500-3,000 regular subscribers. By December 2021 it had released 166 episodes and had over 1.4million downloads.
- School of Theology Streamed – In 2016 we launched SoT Streamed which provides the opportunity for churches to access the School of Theology live teaching via a streamed video service which can be watched in a context of prayer and worship. This is a great resource for Christians who want to go deeper in their faith, at a home group or a larger church gathering.
- UK and International Development – Since Autumn 2016 we have been working on developing relationships with UK and international partners, aimed at enhancing theological training globally, especially through the Anglican Communion, to deliver a range of models of theological training, appropriate to each context. SPTC's programme of dispersed learning has steadily grown since then and we now deliver content across the globe.
- In 2016 SPTC Malaysia was launched offering Theological Study and Ordination Training. Out of the 92 students enrolled in academic year 2020/21, 55 students are enrolled in the Ordination track, 84 students are studying the BA program and 8 in the MA program. The student community is represented by 39 churches, 14 denominations, 13 countries, and 10 different ethnicities. In 2021 the first Director Revd Dr James Harding left to return to the UK and Revd Mark Knight was appointed to continue the excellent work of the college. Like others, SPTC Malaysia went online during the pandemic, opening the college up to international independent students from the region, which is a new pipeline of student recruitment and the college intends to continue an online offering as a result.

### 8. Resourcing the HTB Group:

- As Alpha has moved online we have seen the tremendous impact that has had and we are keen to learn all we can from them and how to apply this wisdom to our own programmes and delivery. We have been working with the team around digital delivery of content, and the insights from the team and research they have undertaken is hugely valuable. SOT also moving into the online space means that it is even more accessible for post-Alpha attendees nationally and internationally to support growth in their faith and deepen their understanding of the Bible.
- In 2020-21 academic year, a quarter of all full-time ordinands in training at SMC were placed at HTB network churches, and just over a third of all London full-time ordinands. This represents a significant proportion of our community which is encouraging as we consider the ministry that these individuals will go on to offer in the future. We are continuing to explore both how we can better serve the network, as well as how we encourage network church leaders to be fostering and encouraging vocations and creating a pipeline of ordination candidates. We engaged a consultant from the network to help continue to develop and invest in this area.
- We have continued to work closely with CRT in the development and delivery of the Peter and Caleb Stream initiatives, as well as collaborating on sessions within our curriculum as we seek to envision and equip people for church planting and leadership within the network.

## Public benefit

The trustees are aware of the Charity Commission's guidance on public benefit in "The advancement of religion for the Public Benefit" and have had regard to it in their administration of the resources of SPTC. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The trustees believe that by promoting the Christian faith through theological education, and the training of future church leaders from a wide variety of Christian denominations, it provides a benefit to the public by:

- Providing trained leadership for the administration of public worship, pastoral care and spiritual development, both for existing church members and for anyone who wishes to benefit from what the church offers; and

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## Trustees' Annual Report for the year ending 31 December 2021

- Promoting Christian values, and service by members of the church in and to their communities, to the benefit of individuals and society as a whole.

### Plans for future periods

SPTC aims to continue its successful partnership with SMC providing high quality theological training in the UK and internationally. SPTC has the following aims for the forthcoming year:

1. To continue to support the development of high quality theological training through SMC.
2. To innovate, develop and accelerate engagement with new models of training such as the Peter and Caleb Stream.
3. To work with churches and dioceses internationally to make theological training and resources available via dispersed learning.
4. To review the financial and operational model to ensure ongoing sustainability for the future.

### St Paul's Theological Centre Remuneration Policy, Principles and Governance

At SPTC we place great value on our highly talented, dedicated and passionate staff team, without whom we could not deliver against our vision, mission and goals. Our remuneration policy is aimed at ensuring that pay is competitive within our sector, rewards staff fairly and enables the staff team to feel valued.

Our principle is to reward staff, irrespective of seniority, informed by the following:

- Fairness; without discrimination and with an intention of cross-entity parity
- Differentiation; to reflect a combination of what is achieved and the way in which it is achieved
- Compliance; to all HMRC and Charity Commission requirements
- Affordability; with good stewardship
- In line with at least the London Living Wage for London-based staff and the Real Living Wage for UK regionally-based staff

The HTB Group entities- (HTB, Alpha International (AI), the Church Revitalisation Trust (CRT) and St Paul's Theological Centre (SPTC) - operate in close co-operation and within a shared operating model, including a common approach to pay and benefits for all staff employed within the group entities.

The HTB Group Remuneration Committee ("Group RemCo") is a joint sub-committee of the HTB PCC and the CRT and SPTC boards, and includes representatives from each. Alpha International has its own Global Remuneration Committee (Global RemCo). In order to maintain a unified approach, Group and Global RemCo interface through the HTB Group COO who sits on both committees.

Authority has been delegated by each of the entity boards to the relevant Group and Global RemCo, to oversee remuneration on behalf of each board whilst acting within the group remuneration framework.

### Financial review

SPTC generated income of £1,990,156 (2020: £2,062,887) comprising mainly income from courses of £1,809,399 (2020: £1,894,413). Independent student income from Mid-week courses decreased to £531,383 (2020: £598,301) and income from Ordinands decreased to £1,163,034 (2020: £1,220,766); Peter and Caleb Stream course income increased to £100,499 (2020: £39,915), due to the addition of the Caleb Stream course in the Autumn term.

In addition, there were donations and gifts received of £128,446 (2020: £92,650). These donations and gifts enable SPTC to invest in the future growth of the college, over and above its standard educational provision. SPTC usually expects a slight shortfall on costs each year (which are covered by donations); however, during the 2020 coronavirus pandemic, substantial cost savings were made due to the cancellation of in-person residential courses and a decrease in general expenses such as student catering and other course costs. In-person teaching resumed during the Autumn term of 2021, with lower than budgeted student numbers. SPTC therefore ended 2021 with a shortfall on unrestricted funds of £196,861 (2020 surplus: £369,385) which has been covered by reserves carried forward.

# **ST PAUL'S THEOLOGICAL CENTRE**

## **Trustees' Annual Report for the year ending 31 December 2021**

SPTC has a future financial commitment to the Church Renewal Trust – a related entity holding the lease to the St Jude's building, from where SPTC operates. The Church Renewal Trust incurred significant cost over 2017 and 2018 to carry out necessary repairs to the tower and spire at St Jude's, and the deficit on this project (after a fundraising appeal) was over £700,000. In 2019, SPTC committed to paying a service fee of £70,000 a year over ten years (ending 2028) out of operating surpluses in order to contribute to this deficit. During the year, St Mellitus College made a donation to the Church Renewal Trust of £225,000, thus alleviating SPTC of their commitment until 2024.

The London Diocese has pledged £250,000 towards the spire repair work, contingent on successful sale of a property. The trustees believe that a favourable outcome is probable, and therefore this has been disclosed as a contingent asset in the Church Renewal Trust accounts. This contribution has the potential to further reduce SPTC's commitment on the repair project, although at this stage no adjustment has been made.

### **Policy on reserves**

It is the policy of the board of trustees not to build up reserves beyond the operating needs of the charity. SPTC generates the majority of its income from student fees, which are received at the start of each term or academic year. This advance cashflow stream means that there is little requirement for reserves to be held to support operational cashflow needs. In the event of an unexpected reduction in student income for any reason, the board of trustees is confident that it has sufficient flexibility to reduce costs in line with reduction in student numbers. Free reserves at 31 December 2021 were £324,361 (2020: £516,939).

### **Fundraising**

The trustees are committed to maintaining the highest legal and ethical standards in the way the charity undertakes its fundraising activities. All fundraising takes place in-house, and the charity does not use any professional fundraisers or commercial participators. SPTC is committed to abiding by the Code of Fundraising Practice and the Fundraising Promise.

SPTC takes precautions in our fundraising to ensure the protection of the public, including vulnerable persons from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate. Our fundraising team take seriously any expression of dissatisfaction we receive regarding our fundraising practice and aim to resolve any complaints as quickly as possible. Our policy is to escalate the issue internally to our Dean. If the complaint cannot be resolved, it will be further escalated to the Chair of the board of trustees, who will nominate an independent member of the board of trustees or an independent advisor to consider the merits of the complaint and any resulting actions. If necessary, we will contact the Charity Commission for advice and guidance. No complaints of this nature relating to fundraising were received in 2021.

SPTC has responded to the General Data Protection Regulation (GDPR), introduced in May 2018, and continues to monitor the use of data carefully, particularly concerning donor data for fundraising purposes. Our Privacy Policy covers how we use donor data, and gives donors the option to opt out of any contact or make a formal complaint. We monitor carefully the relationships we have with donors and seek to maintain a consistent means of stewardship based on the guidance of the Code of Fundraising Practice and to Fundraising Promise.

### **Relationships and Related Parties**

Details of related parties are given in notes 16 and 17 of the financial statements.

### **Structure, governance and management**

St Paul's Theological Centre (SPTC) is a charitable company limited by guarantee and not having a share capital. It was registered as a company on 23rd August 2005 and with the Charity Commission on 10th October 2005.

Procedures for the recruitment and appointment of trustees are laid out in the memorandum and articles of association. Trustees nominate new or replacement trustees with approval by the members. The trustees are also directors for the purpose of Company Law.

# ST PAUL'S THEOLOGICAL CENTRE

## Trustees' Annual Report for the year ending 31 December 2021

New trustees are provided with guidance notes explaining their role and responsibilities as trustees of the charity. All new trustees are fully briefed on the activities and vision of SPTC and they pursue the independent interests of the charity notwithstanding their separate responsibilities in other organisations.

Weekly management team and general staff meetings during term time deal with the day to day issues arising. An executive committee meets as and when needed to deal with wider strategy, finance and staff appointment issues arising between board meetings. The board meets a minimum of three times a year.

### Trustees' Responsibilities

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of the charity's affairs and of the surplus or deficit for that year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees at the date of approval of this report confirms that:

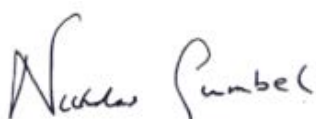
1. So far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware; and
2. The trustees have taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems and procedures have been established to mitigate the risks that the charity faces. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors. The schedule of major risks and mitigations identified by the board is set out on pages 7 and 8.

The trustees have considered the continued impact of the coronavirus on SPTC's operations. Activities have continued uninterrupted throughout the pandemic with appropriate protocols put in place in line with government guidance and the changing nature of risk. Since September in-person activities have resumed, alongside some continued online activities as outlined above. Student numbers in September 2021 were slightly lower than usual which is thought to be as a result of the pandemic,. The trustees are keeping the potential financial effect under review, action is being taken to increase fundraising activity and reduce costs where appropriate to ensure that the college remains financially sustainable.

This report was approved by the board on 15 June 2022, and signed on its behalf by



The Reverend Nicky Gumbel  
Chair of the board of trustees



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Trustees' Annual Report for the year ending 31 December 2021

## Schedule of Major Risks

	Potential Risk	Mitigation
1.	Loss of confidence by stakeholders, including but not limited to its students, due to the behaviour of senior leadership or staff members.	<ul style="list-style-type: none"> <li>Organisational values are clearly defined and regularly communicated.</li> <li>Oversight and governance structures are in place for senior leaders and staff.</li> </ul>
2.	Lack of clarity over the relationship between SPTC and SMC could result in poor governance and difficulties in decision making between the two entities.	<ul style="list-style-type: none"> <li>A close and effective relationship exists between SPTC and SMC. The Chair of SPTC is one of the three members of SMC and two other SPTC trustees also serve on the SMC board.</li> <li>Compliance with Charity Commission, Fundraising and other regulatory requirements is closely monitored.</li> <li>Conflicts of interest are considered and disclosed for all decisions related to SMC and other HTB group entities. Conflicted trustees are excluded from the decision-making process where appropriate.</li> </ul>
3.	Harm comes to visitors or staff due to lack of appropriate and compliant Health & Safety procedures.	<ul style="list-style-type: none"> <li>Internal and external H&amp;S advisors monitor and report on risk areas identified.</li> <li>Regular H&amp;S reporting takes place at senior management and PCC meetings.</li> <li>Staff training in key H&amp;S procedures is ongoing.</li> </ul>
4.	Inability to operate in the event of a disaster due to lack of adequate business continuity planning. Business continuity compromised or critical data lost through cyber-attack.	<ul style="list-style-type: none"> <li>Comprehensive property insurance is in place.</li> <li>IT systems are backed up remotely and can be accessed remotely.</li> <li>Significant investment has been made in upgrading our digital and technology systems, including security.</li> </ul>
5.	Lack of adequate quality control results in reduced student numbers and loss of income.	<ul style="list-style-type: none"> <li>Working closely with Dioceses of the Church of England who provide a core of the student numbers through ordination.</li> <li>SMC is subject to regular external reviews from Ministry Division and the Quality Assurance Agency.</li> <li>SMC has a Registrar and Academic Manager who are responsible for ensuring ongoing monitoring and review.</li> </ul>
6.	Lack of sufficient income and/or inadequate cashflow results in an inability to meet salary and creditor payments.	<ul style="list-style-type: none"> <li>Student fees provide a form of steady income, any reduction in fees would be offset by a reduction in staff required.</li> <li>A Fund Development Manager has been appointed to increase funding from donations, which have historically covered new initiatives and funded innovation</li> <li></li> </ul>
7.	Data security breach or failure to demonstrate compliance with GDPR requirements could result in a significant fine or other regulatory action.	<ul style="list-style-type: none"> <li>Internal and external GDPR advisors monitor and report on risk areas identified.</li> <li>Staff training in GDPR is ongoing.</li> <li>An HTB Group-wide project to implement a data management framework and to upgrade processes across the organisation is ongoing to ensure a resilient and secure approach to data handling and compliance with GDPR.</li> </ul>
8.	Operating and financial model are not sustainable.	<ul style="list-style-type: none"> <li>Fundraising activities will meet needs over the next few years. The financial team have developed a plan of approach which includes a clear timeline of data gathering, reporting to key stakeholders, and modelling options that is to be completed by June 2022 with the intention to bring a clear presentation of the options and financial implications to the summer SMC and SPTC board meetings</li> </ul>

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## Trustees' Annual Report for the year ending 31 December 2021

		Work is being undertaken to explore financial sustainability across the College including looking at modelling student numbers and types, examination of staffing needs, understanding cost savings of the pandemic and seeing what can be replicated, and testing boundaries of provision with Durham University and National Ministry Team.
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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S THEOLOGICAL CENTRE**

### **Opinion**

We have audited the financial statements of St Paul's Theological Centre ('the company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we

conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report 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 trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for 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; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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, and UK financial reporting standards as issued by the Financial Reporting Council.
- 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 this 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*

James Cross (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor  
9 Appold Street  
London  
EC2A 2AP

Date: 1 July 2022

# ST PAUL'S THEOLOGICAL CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME</b>					
<b><u>Donations and legacies</u></b>					
Gift aid		930	-	930	2,321
Collections, donations and grants		58,849	68,667	127,516	90,329
		<u>59,779</u>	<u>68,667</u>	<u>128,446</u>	<u>92,650</u>
<b>Investment income</b>		54	-	54	283
<b>Coronavirus Job Retention Scheme grant</b>		-	-	-	26,460
<b><u>Income from charitable activities</u></b>					
School of Theology courses		14,483	-	14,483	35,431
Mid-week courses		531,383	-	531,383	598,301
Mid-week courses - ordinands		1,163,034	-	1,163,034	1,220,766
Peter & Caleb Stream courses		100,499	-	100,499	39,915
Other income including overseas hubs		21,017	-	21,017	17,281
Income from space rental		31,240	-	31,240	31,800
		<u>1,861,656</u>	<u>-</u>	<u>1,861,656</u>	<u>1,943,494</u>
<b>TOTAL INCOME</b>		<u>1,921,489</u>	<u>68,667</u>	<u>1,990,156</u>	<u>2,062,887</u>
<b><u>Expenditure on Raising Funds</u></b>					
Costs of raising funds	3	40,040	-	40,040	6,972
<b><u>Expenditure on Charitable Activities</u></b>					
	4				
School of Theology courses		101,293	3,603	104,896	86,658
Mid-week courses		1,778,447	63,243	1,841,690	1,468,133
Wider ministry of SPTC		38,513	1,384	39,897	34,618
Development of site		153,057	925	153,982	145,246
		<u>2,071,310</u>	<u>69,155</u>	<u>2,140,465</u>	<u>1,734,655</u>
<b>TOTAL EXPENDITURE</b>		<u>2,111,350</u>	<u>69,155</u>	<u>2,180,505</u>	<u>1,741,627</u>
<b>Net operating income / (expenditure)</b>		<u>(189,861)</u>	<u>(488)</u>	<u>(190,349)</u>	<u>321,260</u>
(Loss) on multi-employer pension scheme deficit reduction plan	18	(7,000)	-	(7,000)	(1,000)
<b>Net income / (expenditure) and net movement in funds</b>		<u>(196,861)</u>	<u>(488)</u>	<u>(197,349)</u>	<u>320,260</u>
Funds brought forward at 1 January		549,028	488	549,516	229,256
Funds carried forward at 31 December		<u>352,167</u>	<u>-</u>	<u>352,167</u>	<u>549,516</u>

All amounts are derived from continuing activities.

The notes on pages 16 to 22 form part of these financial statements.

All recognised gains and losses are included in the statement of financial activities. The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

# ST PAUL'S THEOLOGICAL CENTRE

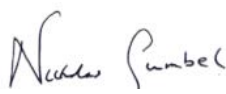
## BALANCE SHEET

as at 31 December 2021

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	7	21,860	21,860
Tangible fixed assets	8	5,946	10,229
<b>Total fixed assets</b>		<u>27,806</u>	<u>32,089</u>
 <b>CURRENT ASSETS</b>			
Debtors	9	313,564	170,863
Cash at bank and in hand	10	176,088	483,787
<b>Total current assets</b>		<u>489,652</u>	<u>654,650</u>
 <b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	(156,291)	(126,223)
<b>NET CURRENT ASSETS</b>		<u>333,361</u>	<u>528,427</u>
 <b>LIABILITIES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	12, 18	(9,000)	(11,000)
<b>NET ASSETS</b>		<u>352,167</u>	<u>549,516</u>
 <b>FUNDS</b>			
Unrestricted			
- General funds		352,167	549,028
Restricted	14	-	488
		<u>352,167</u>	<u>549,516</u>

Registered No. 5543940

Approved by the Board on 15 June 2022 and signed on its behalf

by:   
.....

The Rev'd Nicky Gumbel  
Chairman of the board of trustees

The notes on pages 16 to 22 form part of these financial statements.



# ST PAUL'S THEOLOGICAL CENTRE

## STATEMENT OF CASHFLOWS

For the year ended 31 December 2021

	Note	2021 £	2020 £
Net income / (expenditure)		(197,349)	320,260
Adjustments for:			
Depreciation	8	10,325	14,951
(Increase) / decrease in debtors		(142,701)	(77,825)
Increase / (decrease) in creditors		28,068	(3,662)
Net cash (outflow) / inflow from operating activities		<u>(301,657)</u>	<u>253,724</u>
<u>Investing Activities</u>			
(Purchase) / disposal of tangible fixed assets	8	(6,042)	-
(Purchase) / disposal of intangible fixed assets	7	-	1,240
(Decrease) / increase in cash and cash equivalents		<u>(307,699)</u>	<u>254,964</u>
Cash brought forward at 1 January		483,787	228,823
Cash carried forward at 31 December		<u><u>176,088</u></u>	<u><u>483,787</u></u>

The charity has no net debt and accordingly no net debt note is presented.

## 1. Accounting policies

### Basis of preparation

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

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest pound.

### Funds

General funds represent the funds of the Charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the Charity are also unrestricted. Restricted funds represent those received for specific purposes as specified by the donors. The accounts include all transactions, assets and liabilities for which the Charity is responsible in law.

### Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, including those as a result of the coronavirus pandemic, that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the potential impact of a reduction in course income, as a result of the coronavirus pandemic.

The coronavirus pandemic caused significant operating challenges, to which SPTC adapted quickly, delivering teaching virtually whilst staff worked remotely. In-person working and teaching resumed in September 2021 for the new academic year, however student numbers were slightly lower than target, due to the pandemic and the uncertainty it has caused. The trustees are keeping the potential financial effect under review, with steps already taken to reduce costs in order to mitigate against this drop in student numbers and therefore income, and they have also secured additional funding (£954k) for this academic year. The trustees have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### Income

#### **Voluntary income and capital sources**

Planned giving receivable under Gift Aid is recognised when the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is probable.

Income tax recoverable on Gift Aid donations is recognised when the income is received.

Grants and legacies to the Charity are accounted for as soon as the Charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is probable.

#### **Income from investments**

Interest entitlements on bank accounts are accounted for as they accrue.

### Expenditure

#### **Pension costs**

SPTC makes available a defined contribution pension scheme for staff. SPTC also participates in the Church of England Funded Pension Scheme for Stipendiary Clergy (see note 18). All pension costs are charged in the financial statements as they fall due.

#### **Expenditure**

Expenditure is charged to the Statement of Financial Activities as it falls due, and is analysed according to its nature between the following categories:

- Expenditure on raising funds
- Expenditure on charitable activities

As reflected in note 17 (Related Parties), a strong partnership and working relationship is enjoyed between HTB, Alpha International (AI), St Paul's Theological Centre and the Church Revitalisation Trust. Shared service costs (known as Central Services) are borne by HTB and then recharged to the other charities using the most appropriate driver for each service cost type. These support costs are then allocated between charitable activities based on estimates of the resources employed by Central Services towards each of these activities.

### Fixed assets

The charity capitalises any fixed assets over £1,000.

These assets are depreciated on a straight line basis over their estimated useful economic lives. The periods used are as follows:

Computer equipment:	2 years
Furniture & fittings:	3 years
Other equipment:	3 years
Intangible assets (computer software):	2 years

### Intangible assets

Software costs are capitalised at historic costs and amortised on a straight line basis over 2 years.

### Current assets

Amounts owing to the Charity at 31 December are shown as debtors after providing for amounts that it is thought may prove uncollectable.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

**1. Accounting policies (continued)****Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 9, 11 and 12 for the debtor and creditor balances.

**Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**Operating lease**

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

**Government grants**

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate. SPTC did not receive any Government assistance under the Coronavirus Job Retention Scheme (CJRS) during 2021 (2020: £26,460).

**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 trustees to have most significant effect on amounts recognised in the financial statements.

**(i) Useful Economic Lives**

The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

**(ii) Pension Scheme Liability**

The pension liability relies on actuarial assumptions (see note 18 for further details).

**(iii) Support Cost Allocation**

The allocation of support costs from Central Services is based on estimates of the resources used by Central Services on each of these activities.

**2. Comparative Statement of Financial Activities**

The following table analyses 2020's income and expenditure between unrestricted and restricted funds:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>INCOME</b>			
<b><u>Donations and legacies</u></b>			
Gift aid	2,321	-	2,321
Collections, donations and grants	10,020	80,309	90,329
	12,341	80,309	92,650
<b>Investment income</b>	283	-	283
<b>Coronavirus Job Retention Scheme grant</b>	26,460	-	26,460
<b><u>Income from charitable activities</u></b>			
School of Theology courses	35,431	-	35,431
Mid-week courses	598,301	-	598,301
Mid-week courses - ordinands	1,220,766	-	1,220,766
Peter Stream course	39,915	-	39,915
Other income including overseas hubs	17,281	-	17,281
Income from space rental	31,800	-	31,800
	1,943,494	-	1,943,494
<b>TOTAL INCOME</b>	<b>1,982,578</b>	<b>80,309</b>	<b>2,062,887</b>
<b><u>Expenditure on Raising funds</u></b>			
<b>Costs of raising funds</b>	6,972	-	6,972
<b><u>Expenditure on Charitable activities</u></b>			
School of Theology courses	79,507	7,151	86,658
Mid-week courses	1,350,377	117,756	1,468,133
Wider ministry of SPTC	31,764	2,854	34,618
Development of site	143,573	1,673	145,246
	1,605,221	129,434	1,734,655
<b>TOTAL EXPENDITURE</b>	<b>1,612,193</b>	<b>129,434</b>	<b>1,741,627</b>
<b>Net operating income / (expenditure)</b>	<b>370,385</b>	<b>(49,125)</b>	<b>321,260</b>
Gain /(Loss) on multi-employer pension scheme deficit reduction plan	(1,000)	-	(1,000)
<b>Net income / (expenditure) and net movement in funds</b>	<b>369,385</b>	<b>(49,125)</b>	<b>320,260</b>
Funds brought forward at 1 January	165,643	63,613	229,256
Transfer funds from restricted to unrestricted	14,000	(14,000)	-
<b>Funds carried forward at 31 December</b>	<b>549,028</b>	<b>488</b>	<b>549,516</b>

## ST PAUL'S THEOLOGICAL CENTRE

### Notes to the financial statements For the year ended 31 December 2021

#### 3. Costs of raising funds

These are the costs incurred in fundraising.

#### 4. Support costs

Support costs for St Paul's Theological Centre have been allocated to the various courses, events and projects on the basis of workload involved in running them.

Support costs have been apportioned as follows:

	School of Theology Courses 2021 £	Weekday Courses 2021 £	Wider Ministry (Hubs) 2021 £	St Jude's Development 2021 £	Total 2021 £	Total 2020 £
Legal	1,421	21,835	546	365	24,166	23,722
Media, Production and Moving Image	159	2,449	61	41	2,710	981
Property costs	6,617	101,707	2,541	1,698	112,564	116,157
IT	6,481	99,617	2,489	1,663	110,251	86,612
Finance	4,033	61,982	1,549	1,035	68,599	57,918
HR	4,429	68,079	1,701	1,137	75,346	49,644
Operations	3,717	57,134	1,428	954	63,233	60,532
<b>Total support costs:</b>	<b>26,858</b>	<b>412,805</b>	<b>10,314</b>	<b>6,893</b>	<b>456,870</b>	<b>395,564</b>
Salaries and Accommodation	72,990	1,121,843	28,030	18,733	1,241,597	1,047,372
Other general management	4,041	62,102	1,552	1,037	68,731	48,260
Direct costs	1,008	244,941	-	127,318	373,266	243,458
<b>Total on Statement of Financial Activities:</b>	<b>104,896</b>	<b>1,841,690</b>	<b>39,897</b>	<b>153,982</b>	<b>2,140,465</b>	<b>1,734,655</b>

As reflected in note 17 (Related Parties), a strong partnership and working relationship is enjoyed between HTB, AI, CRT and SPTC. All shared Support and Creative Services (known as Central Services) are allocated to each of the charities using the most appropriate driver for each department in Central Services.

#### 5. Audit costs and depreciation

Net income/(expenditure) is stated after charging:

	2021 £	2020 £
Auditor's remuneration - current year estimate	4,230	3,950
Under accrual for prior year	127	-
	<u>4,357</u>	<u>3,950</u>
Depreciation	<u>11,424</u>	<u>14,951</u>

#### 6. Staff costs

	2021 £	2020 £
Wages and salaries	1,356,948	1,131,968
Social security costs	134,998	107,452
Pension costs	60,018	50,347
	<u>1,551,964</u>	<u>1,289,766</u>

As disclosed in note 17 (Related Parties), there is a close working relationship between HTB, AI, SPTC, and CRT2. The Central Services staff who support all of the charities with 'back office' functions are employed by HTB, and their costs (together with the costs of their departments) are allocated across the entities using the most appropriate basis for each support service. The staff costs and information in this note includes the proportionate share of these Central Services staff, as well as the relevant share of ministry staff who split their time across the charities due to the nature of their roles.

The costs of some members of the HTB clergy were cross-charged for work which was done for SPTC. However, as these clergy members are employed by the Diocese of London and not by HTB, their costs have not been included in the salary figures shown above.

The average monthly number of full time equivalent employees was 36 (2020: 31).

The number of employees whose total benefits (excluding pension) were greater than £60K was 1 (2020: 1), as follows:

£60K-£70K bracket - 1

Central Services staff are on the HTB payroll but serve HTB, AI, SPTC and CRT - each of which bear a portion of their costs. Relevant details of their remuneration can be found in the 'Staff Costs' note in the HTB Financial Statements.

None of the trustees received remuneration for services as employees or consultants during the year, or for services as trustees (2020: £Nil) – refer to note 16 for further details.

#### Key Management Personnel

The key management personnel of SPTC comprises the Principal and the Assistant Dean of SPTC. The total employee remuneration (including pension and employer NIC) was £106,215 (2020: £98,237).

The key management personnel of the Central Service function which serves HTB, AI, SPTC, and CRT comprise the Group Director of People and the HTB Group Chief Operating Officer. The total employee benefits (including pension and employer NIC) of these key management personnel was £206,700 (2020: £191,078); SPTC only bore a portion of these costs £17,118 (2020: £13,666).

#### Redundancy/termination payments

These totalled £774 for the year (2020: £2,559), and include statutory payments as well as ex-gratia amounts where these were considered appropriate. This includes SPTC's share of any Central Services redundancies.

# ST PAUL'S THEOLOGICAL CENTRE

## Notes to the financial statements For the year ended 31 December 2021

### 7. Intangible fixed assets

	Computer Software £
<b>COST</b>	
Opening balance at 1 January 2021	21,860
Additions	-
Disposals	-
Closing balance at 31 December 2021	21,860

As at the 31 December 2021, this asset is yet to be brought into use and therefore no amortisation has been charged for the period.

### 8. Tangible fixed assets

	Computer Equipment £	Furniture & Fittings £	Other Equipment £	Total £
<b>COST</b>				
Opening balance at 1 January 2021	23,361	17,528	52,089	92,978
Additions	2,942	-	4,199	7,141
Disposals	(1,099)	-	-	(1,099)
Closing balance at 31 December 2021	25,204	17,528	56,288	99,020
<b>DEPRECIATION</b>				
Opening balance at 1 January 2021	23,232	17,528	41,989	82,749
Charge for 2021	606	-	10,818	11,424
Disposals	(1,099)	-	-	(1,099)
Closing balance at 31 December 2021	22,739	17,528	52,807	93,074
<b>NET BOOK VALUE</b>				
At 31 December 2020	129	-	10,100	10,229
At 31 December 2021	2,465	-	3,481	5,946

### 9. Debtors

	2021 £	2020 £
Trade debtors	6,946	34,847
Prepayments and accrued income	100,017	50,997
Balance owed by HTB	-	9,728
Sundry debtors	154	5,767
Balance owed by St Mellitus College	206,447	69,524
	313,564	170,863

### 10. Cash at bank and in hand

	2021 Unrestricted	2021 Restricted	2021 £	2020 £
Cash at bank	176,088	-	176,088	483,787

### 11. Liabilities: Amounts due within one year

	2021 £	2020 £
Creditors for goods and services	7,197	1,307
Balance owed to HTB	17,641	-
Taxation and social security	29,793	27,387
Accruals and deferred income	101,661	97,530
Total	156,291	126,223

All deferred income relates to and will be released in the following financial year.

### 12. Liabilities: Amounts due in greater one year

	2021 £	2020 £
Church of England Funded Pension Scheme liability (see note 18)	9,000	11,000

### 13. Analysis of net assets by fund

	General funds £	Restricted funds £	Total 2021 £
<b>2021</b>			
Fixed assets	5,946	-	5,946
Intangible assets	21,860	-	21,860
Debtors	313,564	-	313,564
Cash at bank and in hand	176,088	-	176,088
Liabilities	(165,291)	-	(165,291)
Total	352,167	-	352,167
	General funds £	Restricted funds £	Total 2020 £
<b>2020</b>			
Fixed assets	10,229	-	10,229
Intangible assets	21,860	-	21,860
Debtors	170,863	-	170,863
Cash at bank and in hand	483,299	488	483,787
Liabilities	(137,223)	-	(137,223)
Total	549,028	488	549,516

# ST PAUL'S THEOLOGICAL CENTRE

Notes to the financial statements  
For the year ended 31 December 2021

## 14. Restricted funds

	Opening Balance 2021 £	Income 2021 £	Transfer to Unrestricted Funds 2021 £	Expenditure 2021 £	Closing Balance 2021 £
<b>2021</b>					
<b>World wide leadership training</b> - funding for media resources, youth training and lectures	488	-	-	(488)	-
<b>Support of Peter Stream</b> - funding towards Peter Stream Ministry	-	68,667	-	(68,667)	-
Total Restricted Funds	488	68,667	-	(69,155)	-

	Opening Balance 2020 £	Income 2020 £	Transfer to Unrestricted Funds 2020 £	Expenditure 2020 £	Closing Balance 2020 £
<b>2020</b>					
<b>World wide development of SPTC</b> - funding towards the development of SPTC overseas	63,111	-	(14,000)	(49,111)	-
<b>World wide leadership training</b> - funding for media resources, youth training and lectures	502	44,309		(44,323)	488
<b>Support of Peter Stream</b> - funding towards Peter Stream Ministry	-	36,000		(36,000)	-
Total Restricted Funds	63,613	80,309	(14,000)	(129,434)	488

## 15. Commitments

	2021 £	2020 £
As at 31 December 2021 SPTC had the following operating lease commitment:		
Not later than one year	-	5,500
Total	-	5,500
As at 31 December 2021 SPTC (SMC) was committed to a new student database	-	7,854

On 14 December 2018, the SPTC board agreed to pay the unfunded costs of the emergency spire repair work carried out in 2017 and 2018 at St Jude's Courtfield Gardens. These payments could be accelerated at the board's discretion, however the original intent was for SPTC to pay the Church Renewal Trust £70,000 per annum, over a period of ten years.

During the year, St Mellitus College made a donation to the Church Renewal Trust of £225,000, thereby alleviating SPTC of their commitment until 2024. The London Diocese has pledged £250,000 towards the spire repair work, contingent on successful sale of a property they own. The trustees believe that a favourable outcome is probable, and therefore this has been disclosed as a contingent asset in the Church Renewal Trust accounts. This contribution has the potential to further reduce SPTC's commitment on the repair project, although at this stage no adjustment has been made.

Not later than one year	-	70,000
Later than one year but not later than five years	210,000	280,000
Later than five years	125,000	210,000
	335,000	560,000

**16. Related Parties (see Related Entities, below)**

None of the trustees were reimbursed expenses during the year (2020: none).

TRUSTEE	RELATED TRUSTEESHIPS	REMUNERATION FOR NON TRUSTEE SERVICES	RELATED PARTY PAYMENTS
Nicky Gumbel	Alpha International (Trustee, Member and Chair of the Board), Holy Trinity Brompton (Trustee and Chair of PCC), Church Revitalisation Trust (Trustee, Member and Chair of the Board), The Church Renewal Trust (Trustee, Member and Chair of the Board) and St Mellitus College Trust (Trustee).	£Nil (2020: £Nil)	None
Andrew Brydon	Holy Trinity Brompton (Trustee), Church Revitalisation Trust (Member) and Alpha International (Member).	£Nil (2020: £Nil)	None
Jeremy Jennings	The Church Renewal Trust (Trustee and Member) and Alpha International (Member).	£Nil (2020: £Nil)	None
Angus Winther	Alpha International (Member), Holy Trinity Brompton (Trustee), Church Revitalisation Trust (Trustee), St Mellitus College Trust (Trustee), Ecclesiastical Insurance Office PLC (Director) and Ecclesiastical Insurance Group PLC (Director).	£Nil (2020: £Nil)	Ecclesiastical acts as insurers to the HTB Group. The 2021 insurance premium for SPTC amounted to £6,008 (2020: £5,410).
Genevieve Mensah	Church Revitalisation Trust (Member), Holy Trinity Brompton (Trustee), Church Renewal Trust (Member) and Alpha International (Member).	£Nil (2020: £Nil)	None
Kathleen Chew	Alpha International (Trustee).	£Nil (2020: £Nil)	None
Richard Coates	Church Revitalisation Trust (Trustee), St Mellitus College Trust (Trustee) and St Peter's Brighton (Trustee).	£Nil (2020: £Nil)	None
Sarah Jackson	Holy Trinity Brompton (Trustee, until 24 May 2021).	£Nil (2020: £Nil)	Sarah Jackson is the CEO of CRT, a related entity. See note 17 for disclosure of transactions between SPTC and CRT.
Sir Paul Marshall	Church Revitalisation Trust (Trustee)	£Nil (2020: £Nil)	None
Miles Toulmin	Holy Trinity Brompton (Trustee, until 24 May 2021).	£Nil (2020: £Nil)	None

**17. Related Entities**

ENTITY	INCOME	EXPENDITURE	BALANCE OWED TO/ (FROM) SPTC AT YEAR END	NOTES
The Church Renewal Trust (CRT1)	£Nil (2020: £Nil)	£Nil (2020: £70,000)	£Nil (2020: £Nil)	The Church Renewal Trust was responsible for the development of St Jude's, Courtfield Gardens which was officially opened on 27 November 2012 as the new home of SPTC and SMC. CRT1 holds the lease of 125 years on St Jude's with the Diocese of London. In 2018 CRT1 finished repair of the tower and spire at St Jude's, Courtfield Gardens. SPTC's service fee commitment towards these repairs is outlined in note 15.
Church Revitalisation Trust (CRT)	£68,667 (2020: £36,000)	£Nil (2020: £Nil)	£Nil (2020: £Nil)	During 2021, Church Revitalisation Trust granted SPTC two grants, both specified towards support of Peter Stream Ministry.
Holy Trinity Brompton (HTB)	£Nil (2020: £Nil)	£Nil (2020: £Nil)	(£17,641) (2020: £9,175 owed to SPTC)	SPTC bears a share of Central Services costs charged by HTB (see note 6).

## 17. Related Entities (Continued)

ENTITY	INCOME	EXPENDITURE	BALANCE OWED TO/ (FROM) SPTC AT YEAR END	NOTES
St Mellitus College Trust (SMC)	£1,793,743 (2020: £1,908,062)	£188,173 (2020: £71,649)	£206,447 (2020: £69,524)	SPTC has a very close working relationship with St Mellitus College; SMC pays a portion of student income to SPTC, and SPTC reimburses SMC for a portion of shared costs. The governing structure of SMC stipulates that the board should include nominees of the SPTC board and in 2021 these were Revd Nicky Gumbel, Mr Angus Winther and Revd Richard Coates.

## 18. Pension liability note

St Paul's Theological Centre participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year (2021: £51,274, 2020: £29,281), plus the figures in the table below as being recognised in the SOFA, giving a total charge in 2021 of £49,274 (2020: £21,281).

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

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA\_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter\* of 7 and an initial addition to mortality improvements of 0.5% pa.

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

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

As at 31 December 2019, 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2020 and over 2021 is set out in the table below.

	2021	2020
Balance sheet liability at 1 January	11,000	19,000
Deficit contribution paid	(9,000)	(9,000)
Interest cost (recognised in SOFA)	-	-
Remaining charge to the balance sheet liability* (recognised in SOFA)	7,000	1,000
Balance sheet liability at 31 December	9,000	11,000

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

## 18. Pension liability note (continued)

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules, the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021	December 2020	December 2019
Discount rate	0.0%	0.2%	1.1% pa
Price inflation	n/a	3.1%	2.8% pa
Increase to total pensionable payroll	-1.5%	1.6%	1.3% pa

The legal structure of the Scheme is such that if another Responsible Body fails, St Paul's Theological Centre could become responsible for paying a share of that Responsible Body's pension liabilities.