

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

England & Wales · Charity number 1111892

Details

Other names	The Queens Foundation
Status	Registered
Legal form	Charitable company
Company number	05511503
Registered	2005-11-01
Register	View on the Charity Commission register

Contact

Address The Queens Foundation
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Edgbaston
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Activities

Objects: 3.1 THE PROVISION OF PART TIME AND FULL TIME TRAINING FOR ORDINATION WITHIN THEIR RESPECTIVE CHURCHES FOR MEMBERS OF SUCH CHRISTIAN DENOMINATIONS AS THE BOARD OF GOVERNORS SHALL FROM TIME TO TIME DETERMINE;3.2 THE PROVISION OF SUCH FORMS OF THEOLOGICAL EDUCATION AND TRAINING AS THE BOARD OF GOVERNORS SHALL FROM TIME TO TIME DETERMINE;3.3 THE PROMOTION OF RESEARCH IN THEOLOGY AND RELATED SUBJECTS.

Activities: The provision of full and part time training for ordination within their respective churches for members of Christian denominations as determined by the governors provision of theological education and training and the promotion of research in theology and related subjects.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, Religious Activities
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE BIRMINGHAM, WEST MIDLANDS.
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£2,404,324	£3,142,998	£3,790,632	28
2024-08-31	£2,208,843	£2,567,784	£4,582,724	32
2023-08-31	£2,104,295	£2,442,291	£4,763,155	33
2022-08-31	£2,227,182	£2,463,786	£5,219,901	37
2021-08-31	£2,047,616	£2,153,524	£5,535,592	38

Trustees

Name	Role	Appointed
Bishop ROBERT SPRINGETT	Chair	2022-11-17
Canon David Anthony Hermitt		2022-11-17
Dr Jonathan Pye		2024-03-20
Dr Rachel Margaret Elizabeth Jepson		2012-12-13
Mavis Oloria Jones		2017-11-17
Rev Claire Maxim		2018-10-18
Rev Deborah Caulk		2023-03-16
Rev Philip John Gough		2025-03-13
Winston David Weir		2025-07-17

Linked charities

- THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION PERMANENT ENDOWMENT TRUST (1111892-1)

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

England & Wales - Charity number 1111892

Accounts



The Queen's Foundation

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

(A Company limited by guarantee not having a share capital)

Company Registration No 05511503

Charity Registration No 1111892

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

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Governors 2024-25

Nominated Governors

- The Revd Philip Gough (Methodist), nominated by the Connexional Council of the Methodist Church in Britain (joined 13th March 2025)
- The Revd Deborah Caulk (Methodist), Circuit minister, The Fens Circuit (Nominated by the Methodist Council)
- Mr David Hermitt (Anglican), (Nominated by the General Synod)
- The Rt Revd Robert Springett (Anglican), Bishop of Tewkesbury (West Midlands Bishops' nominee)

Co-opted (Independent) Governors

- The Rt Rev Paul Bayes, (Anglican) President of the Governing Body
- The Revd Kenneth Howcroft (Methodist) Vice President of the Governing Body (resigned 17th July 2025)
- Revd Dr Claire Maxim (Anglican), Priest in Charge of North Tyne & Redesdale
- Mrs Mavis Jones (Wesleyan Holiness Church)
- Mrs Barbara Easton (Methodist) (resigned 17th July 2025)
- Canon Dr Sanjeevani Perera (Anglican)
- Mr Winston Weir (Anglican) (joined 17th July 2025)
- Dr Rachel Jepson (Anglican)
- Revd Dr Jonathan Pye (former Chair of the Bristol District of the Methodist Church)
- Bishop Dr Jonathan Jackson (Senior Minister & District Bishop in the Willesden New Testament Church of God)

Auditors

JW Hinks LLP
19 Highfield Road
Edgbaston
Birmingham B15 3BH

Bankers

Bank of Scotland
55 Temple Row
Birmingham
B2 5LS

Solicitors

Anthony Collins
134 Edmund Street
Birmingham
B3 2ES

The Queen's Foundation for Ecumenical Theological Education
Somerset Road, Edgbaston, Birmingham, B15 2QH

STATEMENT OF CORPORATE GOVERNANCE

The members of the Board of Governors present their report together with the financial statements of The Queen's Foundation for Ecumenical Theological Education for the year ended 31 August 2025. The report has been prepared in accordance with Part 8 of the Charities Act 2011, and constitutes a Directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charitable company's memorandum and articles, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS 102).

President of Governors Introduction

2024/ 2025 has been a significant year of transition in which we said farewell to former Principal, Prof Clive Marsh at the end of August 2024, and welcome in October 2025 to new Principal, the Rt Revd Anne Hollinghurst. Much gratitude must go to Clive for his dedicated work though a challenging period which included navigating the uncertainties of the Covid era, but also strengthening the position of Queen's within the wider sector of Higher Education. Grateful thanks are also due to Dr Dave Allen, Academic Dean and Vice Principal, who took on the role of Acting Principal for a short while until Anne's arrival.

Staff changes

Further significant changes to staffing have coincided with this new season in the life of the Foundation, especially as some members of our tutorial team were in the Methodist Church stationing process this last year. We've said goodbye to Revd Dr Jane Craske, Revd Dr Gary Hall, Revd Paul Nzacahayo, Deacon Dr Mel Beaven. The Revd Dr Catrin Harland-Davies has been appointed Director of Methodist Formation, the Revd Dr George Bailey has been appointed Oversight Tutor with responsibility for Methodist Probationer training, Deacon Angie Allport is taking a particular role in Diaconal Formation, and we have two new half-time Methodist tutors – the Revd Sylvester Deigh and Revd Dr Nicola Price-Tebbutt.

In terms of Anglican tutors, Revd Dr Allison Fenton took on a new parish appointment but continues to lead our important Neurodivergency Research Project (for which Queen's received funding (£118k over 4 years), from the Church of England (CoE)). Meanwhile, funding received through the C of E Racial Justice Board, (£648k over 5 years), enabled the secondment of Revd Dr Carlton Turner to lead the Racial Justice project (alongside his role as Deputy Director of Research) and, further to that, the appointment at Easter of a new half time Anglican Tutor, Revd Angela Sheard. The Revd Pat Lenton de Dickin was appointed as Anglican Tutor for Admissions, now also leading on set-up of the new Elizabeth Pathway. This latter part of her post is funded for two years by new CoE innovation funding that Queen's was granted (£50k over 2 years). It will involve establishing initial work and partnerships in relation to this new Pathway for older candidates for ordained ministry.

Other projects and developments

Over the last year we have had good sign up for our MA programmes, and through the Racial Justice project funding, we have been able to award a number of scholarships and bursaries encouraging more students from a UKME / GMH background to develop as theologians and potential theological educators. Our research and global partnerships work is thriving, with around 50 PhD students currently registered and more exploring the possibility of doctoral study. Important research projects are underway funded by the (Methodist) Westminster College Oxford Trust, including a unique project on a significant Black Churches Archive which we expect to have significant impact. Our effective delivery on these projects continues to strengthen our relationships with our partner churches and funding bodies.



Our Queen's Online programmes and Twelve:2 online platform represent another exciting and promising development for Queen's. Our not for credit programmes offer an innovative mode of "distance learning without the distance", combining asynchronous learning and tutor/cohort support through online gatherings. Take up for our newly launched first two programmes is encouraging.

Challenges

Alongside the good news stories, there are the wider challenges that we face within the context of the Higher Education sector and theological education sector in particular. Whilst we have been successful in increasing income in some areas, overall, the accounts reflect an increased loss due to a number of factors combining over the last year.

As theological education models gradually shift away from traditional full-time residential, and as numbers of part-time students and distance learners increase, we are currently sustaining a number of vacant flats / rooms. This factor has combined with external rents receivable being considerably below budget. This was precipitated through a decision from Calthorpe Estates to not allow external lets. In the immediate term, we are seeking to address this through repurposing some accommodation in other educational capacities and partnerships, at the same time as working on our strategic development plans to reshape campus usage according to the changing theological education landscape.

Our staff costs also rose due to NI changes, salary increases around University pay scales and the Lichfield Scale. In addition we are committed to being a Real Living Wage employer. Meanwhile professional and legal fees have been higher than anticipated due to necessary HR advice, and undertaking a review of our Catering services and contract (with a view to longer term savings), and a commissioned review of Property to enable future scoping of campus development. Maintenance costs came in over budget, due to necessary works post Quinquennial and energy bills remain high as we are not getting the benefit of lower prices yet following the Ukraine invasion and ongoing context.

In addition to the above, there was a time slip of a large grant donation into the 25/26 Academic Year which we were expecting in the 24/25 year. The above, combined with the performance of our investments over the last year, has meant a disappointing year financially, even as we have celebrated many new initiatives and developments.

Strategic Plans

In January 2025, the Board of Governors reviewed the previous strategic plan (last renewed in 2023). They noted the progress, but also began scoping what a more extensive strategy for change might look like given the rapidly changing HE and TEI environment. A comprehensive survey and report of the campus / college buildings was commissioned and some possibilities for working with Calthorpe Estates to better realise the use and value of the site are being considered. The Leadership Team, led by the Principal, have also begun re-working some of the internal structures of Foundation life so these might accommodate more adaptive ways of working and enable more flexible deployment of resources and staffing across the Foundation.

Partnerships are seen as key, with some new ones being explored and some previous ones being re-energised – such as that with the Diocese of Lichfield and their Reader training. Queen's continues to build on its pioneering programmes in Black Theology and Distance Learning, whilst also testing new sponsored pathways, (such as the Elizabeth Pathway), and working on a new MA for those engaged in Children and Young Peoples' ministry (for which there are potential funding possibilities).

Although we have a growing relationship with the Black Majority / Black Pentecostal / Wesleyan Holiness churches, and continue to have students of other denominations as well, we remain in formal partnership with the Church of England and Methodist churches in providing training and formation for ordained ministry. We continue to be responsive to the changing needs of mission and ministry training, the priorities of these churches, and continue to innovate in terms of delivery mode and form.

Staff Publications (2024-25)

Dr David Allen, "Penuel for the Daughter of Phanuel? The Use of Genesis 32 in Luke's Presentation Narrative." *Bulletin for Biblical Research* 35 (2025): pp. 26-41.

Rev Dr Christine Dutton, "John Vincent's Alternative Church" in Ian K. Duffield and Robert P. Hoch-Yidokodiltona (eds.) 'Radical Disciple: The Influence and Significance of John J. Vincent' (Eugene, OR: Wipf and Stock, 2025), pp. 76-85.

Dr Rachel Starr, (eds. with Robert Beckford) *Behold the Men: An Introduction to Critical Theologies of Masculinities*. SCM, 2025

- 'Israel, Isn't it?' in *God's Stories as told by God's Children, Bible for Normal People*, 2025, pp. 39-41.
- 'Borderline: Reading Mark 7:24-30 as a White Woman' in Al Barrett, Jill Marsh & Anthony G. Reddie (eds.) *Towards a Critical White Theology*. Routledge, 2025.

Revd Canon Dr Carlton Turner, "Decolonization and the Inward Journey: Theological Reflection from the African Caribbean", *The Ecumenical Review*, 71 (2025), pp. 76-87.

- "Wealth extraction/wealth distraction: thinking theologically about reparations", *Practical Theology* 18, 343-357

- "Sam Sharpe: The Slave-Turned-Preacher Who Helped to Bring About Abolition" *Premier Christianity*, 22 October 2024.

- "Towards 'Orthopathos': The Feeling Function in Theologies of Reparations" in *Reparatory Theology: Just Repair after Coloniality*, CWM Special Publication on Theologies of Reparations, 2025.

- "The Anglican Church in the Caribbean: Still a Potted Plant?" in Christopher Fauske (ed.), *The Anglican Church in the Anglophone Caribbean: Historical and Cultural Perspectives*, Bloomsbury, 2025.

Governing Documents

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30th June 2014. It is a charity, registered with the Charities Commission under a scheme dated June 2006 and for accounting purposes is unified with the Queen's Foundation for Ecumenical Theological Education, Permanent Endowment Trust, by an Order of the Commission issued on the same date. There are currently twelve members (Governors).

Appointment of Governors

The governance of the Foundation is the responsibility of the Governors, 4 of whom are nominated and up to 12 of whom may be co-opted. The 4 nominated Governors are nominated respectively by the General Synod of the Church of England, the Council of the Methodist Church (2 members), and the Church of England West Midlands Bishops. Existing Governors serve terms of appointment of 3 years. New appointments and reappointments are made for a term of 3 years. The remaining Governors are co-opted according to appropriate skills and experience. Lists of suitable nominees are drawn up by the Governors, or a special sub committee appointed by the Governors, and approached by the President of Governors to establish their willingness to serve. All appointments are subject to a vote of approval by the Governors. The Governors serve as directors of the limited company.

Trustee Training

The Foundation arranges periodic training events for Governors.

Organisation

The Governors annually appoint one of their number to act as President of Governors. The Governors have appointed an Audit Committee (formerly the Finance and General Purposes Committee) which in addition to overseeing the Foundation's financial affairs also scrutinises, evaluates and monitors academic quality and

the data that is gathered and reported on to assure this. The Committee reports to Governors to support them in their responsibilities in both financial and quality matters. The Audit Committee also considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning, including acting as a nominations committee for Governor appointments. Other committees are appointed by the Governors from time to time to consider such specific matters as may be delegated by the Governors.

Key Management personnel

The day-to-day operations of the Foundation are controlled and monitored by the Leadership Team which comprises the Principal, the Academic Dean, the Academic Directors, the Director of Operations and the Director of Finance. They meet monthly to discuss current strategic matters affecting all aspects of the Foundation and their work is supported by a Senior Management Group comprising the Principal, the Academic Dean, the Director of Operations and the Director of Finance, which acts on matters deriving from the Leadership Team, and steers matters to it for policy and strategic consideration.

Remuneration of academic staff

The remuneration of academic staff is based on the Lichfield scale set out by the Archbishops' Council of the Church of England and this is then subject to increments based on responsibility by individual job description. Pension contributions are made to either the church schemes to whom ordained ministers belong or to the Foundation's defined contribution scheme.

Risk Management & Internal Control

The Governors acknowledge their responsibility for ensuring internal controls are effective and maintained. They review the major risks to which the Foundation is exposed and the systems that have been established to manage these risks. Internal risks of control are minimised by the implementation of procedures for authorisation and monitoring of transactions, and potential external risks to the future levels of income and the ability to deliver satisfactory tuition to students are addressed as part of ongoing operations by the Senior Management Group, the Leadership Team and the Governors on a regular basis.

The Foundation also manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee where a risk-based approach is taken, with an evaluation of the likelihood and impact of risks forming part of that review. The primary objectives of the Foundation are kept in view throughout. The Risk Register considers business, operational, compliance and financial components. In addition, we have an independent external financial audit every year.

The major risks facing the Foundation are currently identified under the following headings:

- Loss of key staff
- Ensuring compliance for OfS registration
- Safeguarding or Prevent Incidents
- Premises and site maintenance
- Loss of income from key sources

All these areas are regularly reviewed by the Governors and Leadership team, and every effort is made to ensure that the appropriate action is taken to mitigate the potential damage that these risks may give rise to.

This action includes:

- The Principal and Leadership Team are working towards developing a practice of shared knowledge and expertise across the various teaching areas of the Foundation.
- Members of the administration team are provided with suitable staff development to ensure that they are fully aware with compliance procedures, and staffing levels within the Registry team are regularly



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reviewed to ensure that the increasing complex reporting requirements are handled well. Software systems are also regularly assessed to maintain adequate reporting and data handling processes.

- DBS checks carried out on staff and students to appropriate levels; designated Safeguarding and Deputy Safeguarding officers experiencing/delivering regular training.
- Designated Buildings Committee to implement finding of the Quinquennial Review.
- The Finance Director conducts regular spot checks on transactions to minimise the risk of corruption, fraud, bribery or other irregularities. In addition, we undertake an annual external independent financial audit.

Objectives and activities

Under its Articles of Association the objects of the Foundation are:

- The provision of part-time and full-time training for ordination within their respective churches for members of such Christian denominations as the Governors shall from time to time determine.
- The provision of such forms of theological education and training as the governors shall from time to time determine.
- The promotion of research in theology and related subjects.

The Governors are satisfied that the objectives, as stated, meet the public interest criteria of the Charities Act 2011.

Relationships with the Churches

The fees of candidates for sponsored ordained and lay ministry are funded wholly or in part by the Church of England and the Methodist Church. Close working relationships are maintained on a formal basis through the nomination of Governors as described in a previous section of this Report and by the attendance of officers of these Churches at Governors' meetings. Informal contacts between officers of the Churches and the staff of the Foundation are maintained on a continuing basis. The Foundation's ecumenical ethos is also exemplified in the maintenance of relationships with other churches, especially through an informal partnership with the Wesleyan Holiness Church, relationships with many Pentecostal churches and partnerships with several dioceses to provide training for Readers in the Church of England and ongoing development for Methodist probationer and Anglican curates.

Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 15 to 17 and comply with the Foundation's governing documents and applicable law. Normal activities resulted in a deficit of £738,674 before changes in investment values.

Investment values fell during the year, with the year-end valuation producing an unrealised loss on investments of £50,788 (2024: gain of £162,056). This was split between unrestricted funds £46,375 and restricted funds of £4,413. £250,000 of investments were sold during the year (2024: £250,000).

Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted and designated reserves as seem prudent at that time to meet unavoidable future liabilities. Restricted reserves also include funding donated to the Foundation under terms which require that the resources are identified separately in the institution's accounts.

The free reserves in total amount to £1,664,939 (2024: £2,026,117). Included in this free reserves total are Designated funds amounting to £1,086,498 (including a 6 month operating expense reserve), leaving undesignated free reserves of £578,441.



It is the objective of the Governors to keep designated free reserves at a sum equal to 6 months unrestricted operating costs of the institution. Other reserves will be used for campus investment to be undertaken, a bursary fund (to match newly found funds) and keeps a disaster fund for emergencies. The reserves will be cautiously and purposefully managed in line with these strategic aims.

The endowment fund owns the leasehold of the campus as its principal asset and both fund and asset are reduced annually in line with depreciation of the leasehold land and buildings. The expectation is that both will be fully written down by the end of the lease in 2062.

Plans for Future Periods

The business plan is reviewed by Governors throughout the year, the financial forecasting updated and further objectives defined and added within the overall scope of a balanced budget.

Governors' Responsibilities

The Governors, who are also the directors of The Queens Foundation for Ecumenical Theological Education for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

Insofar as the Governors are aware:

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



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Auditors

JW Hinks LLP were appointed auditors during the year and they will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the governors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Rt Revd Paul Bayes
President of Governors

Date: 13 November 2025



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION (REGISTERED NUMBER: 05511503)

Opinion

We have audited the financial statements of The Queen's Foundation for Ecumenical Theological Education (the 'charitable company') for the year ended 31 August 2025 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 (United Kingdom Generally Accepted Accounting Practice) and the Higher Education and Research Act (HERA 2017) and the requirements of OfS.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 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.
- funds from providers for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- the requirements of the OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 governors' 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 charitable 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:



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We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Cruse FCA, FCCA, BSc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 13/11/2025

**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st AUGUST 2025**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2025 Total £	2024 Total £
INCOME						
Tuition Fees & Accommodation Charges	12	1,965,919	40,102	-	2,006,021	1,754,051
Investment Income	3	76,300	3,959	-	80,259	88,701
Grants and Donations	4	5,209	261,324	-	266,533	311,846
Other Income	13	11,681	39,830	-	51,511	54,245
TOTAL INCOME		2,059,109	345,215	-	2,404,324	2,208,842
EXPENDITURE						
Charitable activities Costs of Providing Education	14	2,391,873	678,038	57,106	3,127,017	2,567,784
TOTAL EXPENDITURE		(2,407,854)	(678,038)	(57,106)	(3,142,998)	(2,567,784)
NET INCOME/(EXPENDITURE) before gains/losses		(348,743)	(332,825)	(57,106)	(738,674)	(358,942)
Unrealised gains/(losses) on investments	5	(46,375)	(4,413)	-	(50,788)	162,056
Realised gains/(losses) on investments	5	(2,631)	-	-	(2,631)	16,456
NET INCOME/(EXPENDITURE) being net movement in funds		(397,749)	(337,238)	(57,106)	(792,093)	(180,431)
Reconciliation of funds:						
Funds brought forward at 1st September 2024		3,217,242	1,308,377	57,106	4,582,724	4,763,155
Funds carried forward at 31st August 2025	8,9,10	2,819,492	971,139	-	3,790,631	4,582,724

All income and expenditure derive from continuing activities.



The Queen's Foundation

BALANCE SHEET AS AT 31st AUGUST 2025
COMPANY NUMBER 05511503

	Note	2025 £	£	2024 £	£
FIXED ASSETS					
Tangible Assets	2	1,413,236		1,560,637	
Investments	5	2,216,519		2,504,686	
			3,629,755		4,065,322
CURRENT ASSETS					
Debtors	6	202,619		163,352	
Short term Deposits		5,757		5,757	
Bank and Cash in hand		269,835		532,435	
		478,211		701,544	
CREDITORS					
Amounts falling due within 1 year	7	(317,334)		(184,142)	
NET CURRENT ASSETS			160,877		517,402
TOTAL ASSETS LESS CURRENT LIABILITIES			3,790,631		4,582,724
NET ASSETS			<u>3,790,631</u>		<u>4,582,724</u>
CHARITY FUNDS					
Endowment			-		57,106
Restricted	8		971,139		1,308,377
Unrestricted (inc Designated Funds)	10		2,819,492		3,217,242
TOTAL CHARITY FUNDS			<u>3,790,631</u>		<u>4,582,724</u>

The notes on pages 15 to 32 form part of these financial statements.

These financial statements were approved by the Board of Governors on 13 November 2025 and are signed on their behalf by:

Rt Revd Paul Bayes - President of Governors

Rt Revd Anne Hollinghurst - Principal

The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2025

	Note	2025 £	2024 £
Net Cashflow from operating activities	20	<u>(472,328)</u>	<u>(204,184)</u>
Property funds			
Payments to acquire fixed assets		(105,278)	(43,663)
Payments to acquire investments		(15,253)	(18,088)
Receipts from sales of investments		250,000	250,000
Interest received		80,259	88,701
Net cash flow from investing activities		<u>209,728</u>	<u>276,950</u>
Net increase/(decrease) in cash and cash equivalents		(262,600)	72,766
Cash and cash equivalents brought forward:		538,191	465,425
Cash and cash equivalents at year end:		<u>275,591</u>	<u>538,191</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		269,834	532,434
Short term deposits		5,757	5,757
Cash and cash equivalents:		<u>275,591</u>	<u>538,191</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST
2025

I ACCOUNTING POLICIES

a General information and basis of preparation

The Queen's Foundation For Ecumenical Theological Education is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision of theological education and training and the promotion of research in theology and related subjects.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Endowment funds represent grants, donations and legacies where the income may be used for general purposes but the capital must be retained.

c Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.



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For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

d Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land & Buildings - Leasehold	Nominal £10,000 for expiration of lease 4% on cost of major extensions and building works 10% on cost of refurbishments
Heating & plant	20% of cost
Motor vehicles	25% on cost written down to a minimum of £1
Audio visual equipment	33% on written down value or subsequent cost
Mowers & garden equipment	20% - 33% on cost
Computers	33% on cost
All other furniture & equipment	20% - 33% on written down value



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f Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

g Stocks

All sundry food and materials are written off in the year of purchase.

h Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i Leases

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

j Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets if required. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

k Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 TANGIBLE FIXED ASSETS

Cost	Long Leasehold			Total £
	Land & Buildings £	Furniture & Equipment £	Heating & Plant £	
Balance at 1st September 2024	4,770,088	771,947	283,863	5,825,898
Additions	-	90,539	14,739	105,278
Disposals	(13,456)	(337,925)	(15,667)	(367,048)
Total cost at 31 August 2025	<u>4,756,632</u>	<u>524,560</u>	<u>282,935</u>	<u>5,564,128</u>
Accumulated depreciation				
Balance at 1st September 2024	3,356,920	693,211	215,130	4,265,261
Charge for the year	185,849	43,482	15,093	244,424
Disposals	(5,201)	(337,925)	(15,667)	(358,794)
Total depreciation at 31 August 2025	<u>3,537,567</u>	<u>398,768</u>	<u>214,556</u>	<u>4,150,892</u>
Net book value				
At 31st August 2025	<u><u>1,219,065</u></u>	<u><u>125,793</u></u>	<u><u>68,379</u></u>	<u><u>1,413,236</u></u>
At 31st August 2024	<u><u>1,413,168</u></u>	<u><u>78,736</u></u>	<u><u>68,733</u></u>	<u><u>1,560,637</u></u>

3 INVESTMENT INCOME

	2025 £	2024 £
Interest - Investment funds	44,540	50,296
Interest - Property funds	16,601	16,401
Interest - Fixed Interest Securities	775	572
Interest on cash deposits	3,091	3,345
Interest reinvested	15,253	18,088
	<u>80,259</u>	<u>88,701</u>

Of the above, £76,300 was unrestricted (2024: £84,811) and £3,959 was restricted (2024: £3,890).

4 GRANTS AND DONATIONS

	2025	2024
	£	£
Methodist Diaconal Order	10,000	10,000
Queen's Methodist Chaplaincy Donation	8,000	17,000
Westminster College Trust Racial Justice	-	100,000
St Boniface Trust (Mission)	2,599	2,967
St Andrews Encyclopedia of Theology	-	107,000
The Archbishops Council Racial Justice Grant	154,869	47,250
The Archbishops Council RMF Innovation Fund	33,930	16,965
University of Birmingham Research Grants	42,196	9,997
St Augustine's	8,790	-
Other donations £1,000 or less (or anonymous)	6,149	667
	<u>266,533</u>	<u>311,846</u>

Of the above, £5,209 was unrestricted (2024: £667) and £261,324 was restricted (2024: £311,179).

5 FIXED ASSET INVESTMENTS

	2025	2024
	£	£
Market value brought forward	2,504,686	2,558,087
Dividends received and reinvested	15,253	18,088
Purchase of Investments	-	-
Sale of Investments	(250,000)	(250,000)
Profit on sale/redemption of investments	(2,631)	16,456
Net unrealised profit on revaluation	(50,788)	162,056
Closing market value	<u>2,216,519</u>	<u>2,504,686</u>
Historical cost at 31st August:	<u>860,067</u>	<u>905,030</u>

The investments comprise of a portfolio of funds managed by CCLA Investment Management Ltd.

	2025	2024
	£	£
Investments at market value comprise:		
Investment fund income shares	1,882,553	2,178,700
Property funds	309,511	302,161
Fixed interest securities fund income shares	24,454	23,825
	<u>2,216,518</u>	<u>2,504,686</u>

6 DEBTORS

	2025 £	2024 £
Debtors	96,693	90,821
Other Debtors	105,925	72,531
	<u>202,619</u>	<u>163,352</u>

7 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade Creditors	182,272	120,671
Other Creditors	37,376	26,793
Tax & Social Security	66,907	26,388
Accruals & deferred income	30,780	10,290
	<u>317,334</u>	<u>184,142</u>

Included within other creditors is £11,644 (2024: £13,414) held on behalf of third parties. These funds are included within investments and bank.

8 RESTRICTED FUNDS

	Movement in Funds				
	Balance 01/09/24 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out)	Balance 31/08/25 £
Consolidated Fund	154,343	3,959	(5,463)	-	152,839
Methodist Building Grants:					
Library Extension	151,979	-	(22,118)	-	129,861
New Building Refurbishment	61,200	-	(6,800)	-	54,400
Heating overhaul	99,229	-	(24,807)	-	74,422
Mission Centre Fund	57,530	-	(57,530)	-	-
Principals Discretionary Fund	3,818	-	(500)	-	3,318
OFS	-	15,132	(15,132)	-	-
MEET	18,440	24,698	(43,138)	-	-
P'ship in Theological Education	236,363	40,100	(71,643)	-	204,820
The Donald & Patricia Marsh Charitable Trust	92,606	-	(18,763)	-	73,843
Westminster College Trust Bursary	44,674	-	-	-	44,674
Westminster College Trust Racial Justice	97,898	-	(42,953)	-	54,945
St John's College Nottingham	140,108	-	(54,440)	-	85,668
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Methodist Chaplaincy	8,500	8,000	(16,500)	-	-
St Boniface	-	2,599	(2,599)	-	-
St Andrews Encyclopaedia of Theology	92,080	-	(24,500)	-	67,580
The Archbishops Council Racial Justice Grant	30,669	154,869	(183,123)	-	2,415



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The Archbishops Council RMF Innovation Funding	16,965	33,930	(37,331)	-	13,564
University of Birmingham	1,975	42,196	(44,171)	-	-
St Augustine's	-	8,790	-	-	8,790
Other	-	940	(940)	-	-
	<u>1,308,377</u>	<u>345,213</u>	<u>(682,451)</u>	<u>-</u>	<u>971,139</u>

The Consolidated Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance to secure student protection.

The Methodist Library Fund provided for the extension of the existing library to house the book collection of the Selly Oak Centre for Mission Studies.

The New Building grant represents part cost of the refurbishment of living accommodation for international mission students.

The Mission Centre Fund comprises a share of the funds released by the winding up of the Selly Oak Colleges Endowment Fund and are available for appropriate projects. This has been fully written off this year to allow for costs not previously allocated to it in previous years.

The Principal's Discretionary Fund consists of a deposit and bank accounts set aside to support the living costs of needy students.

The MEET Funds (Mutual Encounter and Exchange for Transformation) are held for Queen's students travelling abroad for educational purposes. This has been adjusted this year to reflect that no balance is carried forward (costs in an earlier year were not correctly allocated).

The Partnership in Theological Education Funds are to enable a collaborative programme between institutions, for building up capacity to sustain contextually effective and responsive training for ministries in partner countries.

The Donald & Patricia Marsh Charitable Trust Funds are to support financially those who aspire to become ordinands or readers who are not centrally funded and who are not in a position to fund themselves either wholly or in part.

The Westminster College Trust Bursary Funds are to support financially those who aspire to become ordinands or readers who are not centrally funded and who are not in a position to fund themselves either wholly or in part.

The Westminster College Trust Racial Justice Funds are towards the expansion of our Research department into this area.

The St John's College Nottingham Funds are towards a three year fixed term appointment to the Centre for Discipleship and Theology and a contribution to the student bursary fund.

The Methodist Chaplaincy Funds are a contribution towards the cost of Chaplaincy provision.

The St Andrew's Encyclopaedia of Theology Funds are towards research into what global theological educators need from an online Encyclopaedia.

The Archbishops' Council Racial Justice Grant Funds are from the Racial Justice Unit of the Church of England towards valuable racial justice projects.

The Archbishops' Council RMF Innovation Funds are towards research projects on neurodivergence in ministerial formation.

The University of Birmingham Funds are towards research into exploring the relationship between mystical experience and the physical body in first-hand accounts recorded in the Alister Hardy Religious Experience Research Centre.

The St Augustine grant is a scholarship towards the next 7 years study of one student.

COMPARATIVES FOR RESTRICTED FUNDS

	Balance 01/09/23 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out)	Balance 31/08/24 £
Consolidated Fund	141,463	3,890	8,990	-	154,343
Methodist Building Grants:					
- Library Extension	174,097	-	(22,118)	-	151,979
- New Building Refurbishment	68,000	-	(6,800)	-	61,200
- Heating overhaul	124,036	-	(24,807)	-	99,229
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	3,818	-	-	-	3,818
OFS	-	18,751	(18,751)	-	-
MEET	18,440	24,725	(24,725)	-	18,440
Partnership in Theological Education	269,321	40,102	(73,060)	-	236,363
Seedcorn	-	-	-	-	-
The Donald & Patricia Marsh Charitable Trust	97,932	-	(5,326)	-	92,606
Westminster College Trust Bursaries	50,000	-	(5,326)	-	44,674
Westminster College Trust Match Funding	-	100,000	(2,102)	-	97,898
St Johns Nottingham	150,000	-	(9,892)	-	140,108
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Queen's Methodist Chaplaincy Donation	-	17,000	(8,500)	-	8,500
St Boniface	-	2,967	(2,967)	-	-
St Andrews Encyclopedia of Theology	-	107,000	(14,920)	-	92,080
The Archbishops Council Racial Justice Grant	-	47,250	(16,581)	-	30,669
The Archbishops Council RMF Innovation Funding re Neurodivergency	-	16,965	-	-	16,965
University of Birmingham	-	9,997	(8,022)	-	1,975
Other	-	-	-	-	-
	1,154,637	398,647	(244,907)	-	1,308,377

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 31 AUG 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,154,553	258,683	-	1,413,236
Investments	2,063,680	152,839	-	2,216,519
Current Assets	(81,407)	559,618	-	478,211
Creditors - Within one year	(317,334)	-	-	(317,334)
	<u>2,819,492</u>	<u>971,139</u>	<u>-</u>	<u>3,790,631</u>

NOTE : The Endowment Fund has now been fully depreciated.

The Restricted Fund includes grants repayable on the dissolution of the College to :
The Trustees for Methodist Church Purposes

410,695

COMPARATIVE FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS 2023-2024

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,191,123	312,408	57,106	1,560,637
Investments	2,350,343	154,343	-	2,504,686
Current Assets	(140,083)	841,627	-	701,544
Creditors - Within one year	(138,184)	-	-	(184,142)
	<u>3,217,242</u>	<u>1,308,377</u>	<u>57,106</u>	<u>4,582,724</u>

10 UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/24 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/25 £
AD 2062 Stephen Lloyd Fund	716,175	15,253	-	-	(731,428)	-
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	<u>1,784,586</u>	<u>15,253</u>	<u>-</u>	<u>-</u>	<u>(731,428)</u>	<u>1,086,498</u>

The AD2062 Stephen Lloyd Fund was set up to provide resources for the renewal of the lease in 2062. It has been decided to release this designation whilst Governors consider the long term use for the campus.

The Operating Expense Reserve was created following the Governors review of reserves policy in 2020/21 to set aside reserves to cover approx 6 months operating expenses in line with recommended practise.

The Research Fund was set up when the assets of the Research Fellowship Trust were transferred to the Foundation and is created to support the objectives of research and research fellowships.

Unrestricted Funds

	Balance 01/09/24 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/25 £
Designated funds	1,802,673	15,253	-	-	(731,428)	1,086,498
Unrestricted funds	1,414,568	2,043,859	(2,407,854)	(49,007)	731,428	1,732,994
	3,217,242	2,059,111	(2,407,854)	(49,007)	-	2,819,492

Comparatives for Designated Funds

	Balance 01/09/23 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 01/09/24 £
AD 2062 Stephen Lloyd Fund	698,088	18,087	-	-	-	716,175
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	1,784,586	18,087	-	-	-	1,802,673

Comparatives for Unrestricted Funds

	Balance 01/09/23 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/24 £
Designated funds	1,784,586	18,087	-	-	-	1,802,673
Unrestricted funds	1,675,463	1,792,108	(2,220,059)	167,055	-	1,414,568
	3,460,050	1,810,195	(2,220,059)	167,055	-	3,217,242

11 A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Movement in Funds				
	Balance 01/09/23 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out) £	Balance 31/08/25 £
Consolidated Fund	141,462	7,849	3,527	-	152,838
Methodist Building Grants:					
- Library Extension	174,097	-	(44,236)	-	129,861
- New Building Refurbishment	68,000	-	(13,600)	-	54,400
- Heating overhaul	124,036	-	(49,614)	-	74,422
Mission Centre Fund	57,530	-	(57,530)	-	-
Principals Discretionary Fund	3,818	-	(500)	-	3,318
OFS	-	33,883	(33,883)	-	-
MEET	18,440	49,423	(67,863)	-	-



The Queen's Foundation

Partnership in Theological Education	269,321	80,202	(144,703)	-	204,820
The Donald & Patricia Marsh Charitable Trust	97,932	-	(24,089)	-	73,843
Westminster College Trust Bursary	50,000	-	(5,326)	-	44,674
Westminster College Trust Racial Justice	-	100,000	(45,055)	-	54,945
St John's College Nottingham	150,000	-	(64,332)	-	85,668
Methodist Diaconal Order	-	20,000	(20,000)	-	-
Methodist Chaplaincy Donation	-	25,000	(25,000)	-	-
St Boniface	-	5,566	(5,566)	-	-
St Andrews Encyclopedia of Theology	-	107,000	(39,420)	-	67,580
The Archbishops Council Racial Justice Grant	-	202,119	(199,704)	-	2,415
The Archbishops Council RMF	-	-	-	-	-
Innovation Funding	-	50,895	(37,331)	-	13,564
University of Birmingham	-	52,193	(52,193)	-	-
St Augustine's	-	8,790	-	-	8,790
Other	-	940	(940)	-	-
	1,154,636	743,860	(927,358)	-	971,139

UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/23	Incoming Resources	Resources Expended	Gains, (Losses) & Allocations	Transfers	Balance 31/08/25
	£	£	£	£	£	£
AD 2062 Stephen Lloyd Fund	698,088	33,340	-	-	(731,428)	-
Research Fund	86,498	-	-	-	-	86,498
Six months operating expenses	1,000,000	-	-	-	-	1,000,000
	1,784,586	33,340	-	-	(731,428)	1,817,926

Unrestricted Funds

	Balance 01/09/23	Incoming Resources	Resources Expended	Gains, (Losses) & Allocations	Transfers	Balance 31/08/25
	£	£	£	£	£	£
Designated funds	1,784,586	33,340	-	-	(731,428)	1,086,498
Unrestricted Funds	1,675,463	3,835,968	(4,627,913)	118,048	731,428	1,732,993
	3,460,049	3,869,307	(4,627,913)	118,048	-	2,819,491

12 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2025 £	2024 £
Student Fees		
Ministerial Formation Tuition Element	950,921	870,752
Ministerial Formation Formational Element	448,692	169,297
Independent UG & PG Students	121,906	163,461
Partnership in Theological Education	40,100	40,102
Independent Research Students	112,191	84,589
	<u>1,673,810</u>	<u>1,328,201</u>
Accommodation Charges		
Accommodation (restated)	261,717	304,279
External Rents in	7,538	54,696
Conferences, guests etc.	62,956	66,875
	<u>332,211</u>	<u>425,850</u>
Total Fees & Accommodation Charges	<u><u>2,006,021</u></u>	<u><u>1,754,051</u></u>

13 OTHER INCOME

	2025 £	2024 £
OFS Income	15,132	18,751
MEET Income	24,698	24,725
Sundry Income	11,681	10,769
	<u>51,511</u>	<u>54,245</u>

14 ANALYSIS OF CHARITABLE EXPENDITURE

	2025 £	2024 £
Academic & Library Costs	1,511,366	1,187,278
Disabled Student Expenditure (Reimbursed)	11,241	5,642
Administrative Costs (excluding Governance)	580,764	471,531
Catering Costs	193,059	189,252
Domestic Costs	64,547	60,729
Premises Costs	731,550	623,828
Governance Costs	34,489	29,525
	<u>3,127,017</u>	<u>2,567,784</u>

15 GOVERNANCE COSTS	2025	2024
	£	£
Salaries - operational staff	27,229	22,235
Audit fee	7,260	7,290
	<u>34,489</u>	<u>29,525</u>
16 STAFF EMOLUMENTS	2025	2024
	£	£
Salary Costs	1,354,978	1,111,887
National Insurance	129,339	92,435
Pension Costs	134,956	115,471
	<u>1,619,273</u>	<u>1,319,793</u>

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2025 FTE	2025 Number	2024 FTE	2024 Number
Academic and Library	16.5	23.2	19.2	20.3
Administrative and Others	11.5	13.1	9.1	11.3
	<u>28.4</u>	<u>36.3</u>	<u>28.3</u>	<u>31.6</u>

The total amount of employee benefits received by key management personnel (comprising SMG members) is £175,461 (2024: £169,365).

	2025	2024
Number of staff receiving basic salary per annum between £100,000 - £104,999	-	-

PRINCIPAL'S SALARY

The figures for the year ended 31 Aug 2024 relate entirely to the former Principal, Clive Marsh who left at 31 August 2024. The figures for the year ended 31 Aug 2025 relate entirely to the current Principal Anne Hollinghurst who commenced employment on 1 October 2024.

The head of the Foundation is the highest paid member of staff and receives the following amount, as guided by the "Lichfield Scale" and adjusted where necessary by the Governors:

	2025	2024
	£	£
Basic Salary	46,875	35,144
Payments in lieu of pension contributions	-	-
Dividends	-	-
Performance Related Pay	-	-
Pension Contributions	8,129	4,920
Salary Sacrifice Arrangements	-	-



The Queen's Foundation

Compensation for loss of Office	-	-
Any other pension scheme costs	-	-
Other taxable benefits:		
Governors' Discretionary Payment	-	14,057
Housing Allowance	12,000	-
Other non-taxable benefits:		
On-site Accommodation	-	12,800
Book Allowance	920	311
Travel Allowance	-	576
Other remuneration:		
Eg sabbatical payments	-	-

The total remuneration package for the Principal is in line with that offered to all principals of Anglican Training institutions and in line with national pay scales for Anglican clergy.

The head of the providers basic salary is 1.4 times (2024: 1.1x) the median pay of all staff, where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The head of the providers total remuneration is 1.7 times (2024: 1.9x) the median total remuneration of staff where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The total amount paid across the provider for 2024-25 for loss of office is £44,000 (2024: £0). The number of people for whom this is applied is: 2 (2024: 0).

17 AUDITORS REMUNERATION

	2025	2024
	£	£
The auditors remuneration is comprised of: -		
Audit Fees	7,260	7,290
Other Services	-	-
	<u>7,260</u>	<u>7,290</u>

18 TRUSTEES REMUNERATION

Trustees received £3,139 for the reimbursement of travelling expenses during the year (2024: £2,472).

No trustee received any remuneration during the year (2024: £nil).

19 FINANCIAL COMMITMENTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Not later than one year	8,390	12,602
Later than one and not later than five years	4,195	12,586
Later than five years	-	-

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the year	(792,093)	(180,431)
Interest receivable	(80,259)	(88,701)
Depreciation and impairment of tangible fixed assets	244,424	253,032
Losses/(Gains) on investments	53,420	(178,512)
Losses/(Gains) on disposal of Fixed Assets	8,255	-
(Increase)/decrease in debtors	(39,267)	(55,531)
Increase/(decrease) in creditors	133,192	45,958
Net cash flow from operating activities	(472,328)	(204,184)

21 PENSION COSTS

The Foundation contributes to non-contributory defined benefit schemes operated by the Church of England for ordained clergy (CEFPS) and non-ordained employees (CWPF). For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Aviva, the cost of which is written off to the Statement of Financial Activities on an accruals basis. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

During the year the Foundation's contributions were:

	2025 £	2024 £
CEFPS	34,006	27,526
CWPF	4,073	10,553
Aviva	96,877	77,392
	134,956	115,471

The defined benefit schemes in place are accounted for as defined contribution schemes because sufficient information is not available to use defined benefit accounting.



The Queen's Foundation

CEFPS

The Foundation 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 pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2024/25: £34,006, 2023/24: £27,526).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

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

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

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil
31 December 2024	Nil

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

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

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

The legal structure of the scheme is such that if another Responsible Body fails, Queen's College Birmingham could become responsible for paying a share of that failed Responsible Body's pension liabilities.



The Queen's Foundation

CWPF

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

CWPF has two sections:

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

Pension Builder Scheme

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

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

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2025: £4,073, 2024: £10,553).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

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

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



22 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Each member liability is limited to a maximum of £1.

As at 31st August 2025 there were 12 members of the charitable company (2024: 12)

23 RELATED PARTY TRANSACTIONS

Canon Dr Sanjeevani Perera, a Governor of Queen's, lived for part of the year in on-site accommodation and paid rent, included in our Income total, of £3,236 in the year ended 31 August 2025 (2024: £8,130).

24 POST BALANCE SHEET EVENTS

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Charity being able to continue to operate if further Covid style events take place. The trustees have considered the position of the Charity both at present and for the next 12 months given the current information available.

The Charity has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

We are in regular communication with our stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts. We have implemented plans to reduce costs where necessary and maximise appropriate income opportunities.

25 OFS DETAILS OF GRANT AND FEE INCOME

	Year ended 31/08/25	Year ended 31/08/24
	£,000	£,000
Grant income from the OfS (included in Other Income in SOFA)	15	19
Grant income from other bodies (included in Grants & Donations in SOFA)	231	181
Fee income for taught awards (included in Tuition Fees in SOFA)	1,030	974
Fee income for research awards (included in Tuition Fees in SOFA)	152	125
Fee income for non-qualifying courses (included in Tuition Fees in SOFA)	491	230
Total grant and fee income	1,920	1,528

Year ended 31 August 2024 restated to allow for different analysis between departments and to include Grant fee income related to Research Grants received.

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

England & Wales - Charity number 1111892

Accounts



The Queen's Foundation

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

(A Company limited by guarantee not having a share capital)

Company Registration No 05511503

Charity Registration No 1111892

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

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Governors 2023-24

Nominated Governors

- The Revd Helen Kirk (Methodist), Chair of Chester and Stoke-on-Trent District (nominated by the Methodist Council) (until 22 July 2024)
- The Revd Deborah Caulk (Methodist), Circuit minister, The Fens Circuit (Nominated by the Methodist Council)
- Mr David Hermitt (Anglican), (Nominated by the General Synod)
- The Rt Revd Robert Springett (Anglican), Bishop of Tewkesbury (West Midlands Bishops' nominee)

Co-opted Governors

- The Rt Rev Paul Bayes, (Anglican) President of the Governing Body
- The Revd Kenneth Howcroft (Methodist) Vice President of the Governing Body
- Revd Dr Claire Maxim (Anglican), Priest in Charge of North Tyne & Redesdale
- Mrs Mavis Jones (Wesleyan Holiness Church)
- Mrs Barbara Easton (Methodist)
- Canon Dr Sanjeevani Perera (Anglican)
- Revd Dr Miranda Threlfall-Holmes (Anglican), Archdeacon of Liverpool (until 30 July 2024)
- Dr Rachel Jepson (Anglican)
- Revd Dr Jonathan Pye (Chair of the Bristol District of the Methodist Church) (from 14 March 2024)
- Bishop Dr Jonathan Jackson (Senior Minister & District Bishop in the Willesden New Testament Church of God) (from 18 July 2024)

Auditors

JW Hinks LLP
19 Highfield Road
Edgbaston
Birmingham B15 3BH

Bankers

Bank of Scotland
55 Temple Row
Birmingham
B2 5LS

Solicitors

Anthony Collins
134 Edmund Street
Birmingham
B3 2ES

The Queen's Foundation for Ecumenical Theological Education
Somerset Road, Edgbaston, Birmingham, B15 2QH

STATEMENT OF CORPORATE GOVERNANCE

The members of the board of Governors present their report together with the financial statements of The Queen's Foundation for Ecumenical Theological Education for the year ended 31 August 2024. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a Directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charitable company's memorandum and articles, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS 102).

President of Governors Introduction

If 2022-23 was able to be regarded as a (post-Covid) stabilizing year, then in many ways, 2023-24 can be considered as 'more of the same', though also becoming a transition year prior to an upturn: in student numbers, in staff-change, in refreshing of our international partnerships, in expansion of our research aspirations and in clarity about plans for the welcome future development of the Queen's site. In making much of our institutional strapline at every turn ('Diverse – Challenging – Gospel-Focused') we are able to highlight, and in turn be recognised for, the fundamental hallmark of our work: exploring the multiple diversities of the richness of human life in all its fullness, and doing this within and in service of the Kingdom of God, in and through churches called themselves to be prophet communities embodying such diversity.

Particular highlights of the year were the securing of three major grants for future work: £648k (over 5 years) from the Racial Justice Unit of the Church of England for valuable racial justice projects, £300k (over three years) from the Westminster College Oxford Trust for expansion of our research work, and £118k from the Innovation Fund of the Church of England for an important project on neurodivergence in ministerial formation. These are clear signs of the confidence both our partner churches and our funding bodies have in our quality and reputation as an institution.

Strategic Plan.

The priorities of the (three-year) Strategic Plan first agreed in 2020, and re-confirmed in 2023, remain in place: development particularly in the areas of Black Theology, Distance Learning and the capacity-building work with international research students in Rwanda and Sri Lanka funded by the Partnership in Theological Education (PiTE). Our work with UKME/GMH students and scholars will be greatly helped by the work enabled by the CofE's Racial Justice Grant. It is proving a challenge to find the appropriate form of offering of non-accredited courses and DL programmes, but we now have the staffing in place to undertake this work. Five years on from the start of our PiTE programme, revisions of the Memoranda of Understanding with our partner institutions in Rwanda and Sri Lanka are due to be signed in the Autumn of 2024.

Partnerships with Churches

Our two key current, formal links with the Church of England and the Methodist Church continue to be strong and healthy. After slight dips in numbers in 22-23, the intakes for September 2024 both show significant increases. This is particularly encouraging given that nationally numbers offering for training in the Church of England have decreased sharply.

Staff Publications (2023-4)

Dr David Allen, *The Use of the Jewish Scriptures in the Johannine Passion Narrative: That the Scripture May Be Perfected* Interpreting Johannine Literature. Lanham, MD: Fortress Academic, 2024.

- *The New Testament's Use of the Jewish Scriptures* (Nottingham: Grove Books, 2024)

Professor Robert Beckford, *Windrush: A Family Divided*. (Four Part Series for BBC Radio 4, 2023).

- *Should I change my name?* BBC World Service, 2024

Revd Mark Earey, *Finding your Way Around Common Worship: A Simple Guide – Revised and Updated edition* (London: Church House Publishing, 2nd ed. 2024)

- Mark Earey and Phillip Tovey, *Can We Use the Prayers of Love and Faith?* (Nottingham: Grove Books, 2024)

- Phillip Tovey (ed.), Mark Earey, Colin Buchanan & Charles Read, *Introducing 'Patterns for Baptism'* (Nottingham: Grove Books, 2024)

Revd Dr. Catrin Harland-Davies, Extracts for David Painting (ed.) *Fresh from the Word 2024* (SPCK, 2023).

Dr Joanne Henderson-Merrygold, *Introducing a Hermeneutics of Cispicion: Reading Sarah and Esau's Gender (Failures) Beyond Cisnormativity*. The Library of Hebrew Bible/Old Testament Studies. Bloomsbury T&T Clark, 2024.

Dr. Sinwoong Kim and Baik, C, Missio Dei 'in: B. N. Wolfe et al., (eds.) *St Andrews Encyclopaedia of Theology* (<https://www.saet.ac.uk/Christianity/MissioDei>)

Dr Dulcie Dixon McKenzie, Pauline E. Muir and Monique M. Ingalls (eds), *Black British Gospel Music from the Windrush Generation to Black Lives Matter - edited By [Dulcie A. Dixon McKenzie](#), [Pauline E. Muir](#), [Monique M. Ingalls](#)*. Routledge, 2024.

Prof. Clive Marsh, 'Theology and Popular Culture' in *Ford's The Modern Theologians*, eds. R. Muers and A. Cocksworth, Wiley-Blackwell 2024, 474-486.

Dr. Andrew Mein, "Gog and Magog." In *The Brill Encyclopaedia of Early Christianity*. Edited by Bert Jan Lietart-Peerbolte. Leiden: Brill, 2024.

- with Georges Tamer and Lutz Greisiger, eds., *Gog and Magog: Contributions toward a World History of an Apocalyptic Motif*. 2 volumes. Judaism, Christianity and Islam – Tension, Transmission, Transformation, 17. Berlin: de Gruyter, 2023.

- "From Turk to Tyrant: Gog in Seventeenth-Century English Ezekiel Commentary." Pages 575–596 in *Gog and Magog: Contributions toward a World History of an Apocalyptic Motif*. Edited by G. Tamer, L. Greisiger and A. Mein. Berlin: de Gruyter, 2023.

- "Biblical Warfare and Gendered Heroism in First World War Germany." In *Doing Biblical Masculinity Studies as Feminist Biblical Studies? Critical Interrogations*. Edited by S. Scholz. Sheffield: Sheffield Phoenix Press, 2023.

Revd Dr Judith Rossall, *The Violent Among us* (Centre for the Study of the Bible and Violence, January 2024): <https://www.csbvbristol.org.uk/2024/01/31/the-violent-among-us/>

- *Where Shall I carry my shame?* Centre for the Study of the Bible and Violence, July 2024) <https://www.csbvbristol.org.uk/2024/07/10/tamar-amnon-absalom-shame/>

Dr Jen Smith, *Disruptive-Inclusion: Why and how Christian adult learning is for everyone* (SCM Press, 2024).

Dr Rachel Starr, 'Heroes and how to resist them' in Elizabeth Gareca, Larry José Madrigal y Rachel Starr (coordinadores), *Revista de Interpretación Bíblica Latinoamericana (RIBLA) 91: "Entre ustedes no será así": Resistencia, resiliencia...en la violencia*, Quito: Centro Bíblico Verbo Divino, (2023), 51–64.
(<https://www.centrobiblicoquito.org/images/ribla/91.pdf>)

- Elizabeth Gareca Gareca, Larry José Madrigal Rajo and Rachel Starr 'Presentación: "Entre ustedes no será así": Resistencia, resiliencia...en la violencia' in Elizabeth Gareca, Larry José Madrigal y Rachel Starr (coordinadores), *Revista de Interpretación Bíblica Latinoamericana (RIBLA) 91: "Entre ustedes no será así": Resistencia, resiliencia...en la violencia*, Quito: Centro Bíblico Verbo Divino, (2023) 8–16.
(<https://www.centrobiblicoquito.org/images/ribla/91.pdf>)

- '¿Qué significa la justicia para mujeres que sufren la violencia doméstica?' in Gabriela Di Renzo, Eloísa Ortiz de Elguea and Paula Carman (eds), *Justicia para las mujeres: desafíos actuales de la ética teológica feminista*, (Córdoba: EDUCC - Editorial de la Universidad Católica de Córdoba, 2024).

Revd Canon Dr Carlton Turner, *Watch and Pray: Wisdom and Hope for Lent and Life (SPCK, Spring 2024)*

- *Caribbean Contextual Theology: An Introduction* (SCM, Spring 2024).

- Carlton Turner and Anna Kasafi Perkins, "Monotonous Rhythm on the Heart of God: Drumming, Theological Aesthetics, and Christianity in the Caribbean" in *The T&T Clarke Companion to Theology and the Arts*, eds Imogen Adkins and Stephen Garrett, Bloomsbury, 2024.

Administrative staff changes

The Registry staff has stabilised well under the leadership of the Registry Manager, Katie Cooper, and has now reached its full complement of four members. The support of Anglican and Methodist Staff teams by Rachel Middleton and Kate Knight has been exemplary, and we welcomed Rebecca Ademola as the full time Administrator for the Centre for Black Theology in July. We have continued to experience difficulties during the year to find consistent front-of-house staffing, but hope this is now resolved.

Dr Joanne Henderson-Merrygold and Dr Andrew Mein joined the Foundation's academic staff in September 2023 as respective Directors of the Centre for Discipleship & Theology and the Centre for Research & Global Partnerships. Michael Wadsworth also joined the CDT team in June 2024, with a particular brief for developing e-learning provision. We were also pleased to welcome Revd James Pritchard as the Foundation's Chaplain.

The Rt Revd Anne Hollinghurst appointment as the new Principal was made in the spring 2024, and will begin the role from 1st October 2024 (following the retirement of the current Principal, Professor Clive Marsh).

Governing Documents

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30th June 2014. It is a charity, registered with the Charities Commission under a scheme dated June 2006 and for accounting purposes is unified with the Queen's Foundation for Ecumenical Theological Education, Permanent Endowment Trust, by an Order of the Commission issued on the same date. There are currently twelve members (Governors).

Appointment of Governors

The governance of the Foundation is the responsibility of the Governors, 4 of whom are nominated and 12 of whom are co-opted. The 4 nominated Governors are nominated respectively by the General Synod of the Church of England, the Council of the Methodist Church (2 members), and the Church of England West Midlands Bishops. Existing Governors serve terms of appointment of 3 years. New appointments and reappointments are made for a term of 3 years. The remaining Governors are co-opted according to

appropriate skills and experience. Lists of suitable nominees are drawn up by the Governors, or a special sub committee appointed by the Governors and approached by the President of Governors to establish their willingness to serve. All appointments are subject to a vote of approval by the Governors. The Governors serve as directors of the limited company.

Trustee Training

The Foundation arranges periodic training events for Governors.

Organisation

The Governors annually appoint one of their number to act as President of Governors. The Governors have appointed an Audit Committee (formerly the Finance and General Purposes Committee) which in addition to overseeing the Foundation's financial affairs also scrutinises, evaluates and monitors academic quality and the data that is gathered and reported on to assure this. The Committee reports to governors to support them in their responsibilities in both financial and quality matters. The Audit Committee also considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning, including acting as a nominations committee for Governor appointments. Other committees are appointed by the Governors from time to time to consider such specific matters as may be delegated by the Governors.

Key Management personnel

The day-to-day operations of the Foundation are controlled and monitored by the Leadership Team which comprises the Principal, the Academic Dean, the Directors of each of the five Formation and Teaching Centres, the Director of Operations and the Director of Finance. They meet monthly to discuss current strategic matters affecting all aspects of the Foundation and their work is supported by a Senior Management Group comprising the Principal, the Academic Dean, the Director of Operations and the Director of Finance, which acts on matters deriving from the Leadership Team, and steers matters to it for policy and strategic consideration.

Remuneration of academic staff

The remuneration of academic staff is based on the Lichfield scale set out by the Archbishops' Council of the Church of England and this is then subject to increments based on responsibility by individual job description. Pension contributions are made to either the church schemes to whom ordained ministers belong or to the Foundation's defined contribution scheme.

Risk Management & Internal Control

The Governors review the major risks to which the Foundation is exposed and systems have been established to manage these risks. Internal risks of control are minimised by the implementation of procedures for authorisation and monitoring of transactions, and potential external risks to the future levels of income and the ability to deliver satisfactory tuition to students are addressed by the Leadership Team and the Governors on an annual basis.

The Foundation manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee. The primary objectives of the Foundation are kept in view throughout. Financial components are contained within the register.

The major risks facing the Foundation are currently identified under the following headings:

- Loss of key staff
- Ensuring compliance for OfS registration
- Safeguarding or Prevent Incidents
- Premises and site maintenance

All these areas are regularly reviewed by the Governors and Leadership team, and every effort is made to ensure that the appropriate action is taken to mitigate the potential damage that these risks may give rise to.

This action includes:

- The Principal and Leadership Team are working towards developing a practice of shared knowledge and expertise across the various Centres of the Foundation.
- Members of the administration team are provided with suitable staff development to ensure that they are fully aware with compliance procedures and staffing levels within the registry team are regularly reviewed to ensure that the increasing complex reporting requirements are handled well. Software systems are also regularly assessed to maintain adequate reporting and data handling processes.
- DBS checks carried out on staff and students to appropriate levels; designated Safeguarding and Deputy Safeguarding officers experiencing/delivering regular training.
- Designated Buildings Committee to implement finding of the Quinquennial Review.

Objectives and activities

Under its Articles of Association the objects of the Foundation are:

- The provision of part-time and full-time training for ordination within their respective churches for members of such Christian denominations as the governors shall from time to time determine.
- The provision of such forms of theological education and training as the governors shall from time to time determine.
- The promotion of research in theology and related subjects.

The Governors are satisfied that the objectives, as stated, meet the public interest criteria of the Charities Act 2011.

Relationships with the Churches

The fees of candidates for ordained ministry are funded wholly or in part by the Church of England and the Methodist Church. Close working relationships are maintained on a formal basis through the nomination of Governors as described in a previous section of this Report and by the attendance of officers of these Churches at Governors' meetings. Informal contacts between officers of the Churches and the staff of the Foundation are maintained on a continuing basis. The Foundation's ecumenical ethos is also exemplified in the maintenance of relationships with other churches, especially through an informal partnership with the Wesleyan Holiness Church, relationships with many Pentecostal churches and partnerships with several dioceses to provide training for Readers in the Church of England and ongoing development for Methodist probationer and Anglican curates.

Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 14 to 16 and comply with the Foundation's governing documents and applicable law. Normal activities resulted in a deficit of £358,942 before changes in investment values.

Investment values rose during the year, with the year-end valuation producing an unrealised gain on investments of £162,056 (2023: loss of £114,613). This was split between unrestricted funds £150,600 and restricted funds of £11,456. £250,000 of investments were sold during the year (2023: £250,000).

Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted and designated reserves as seem prudent at that time to meet unavoidable future

liabilities. Restricted reserves also include funding donated to the Foundation under terms which require that the resources are identified separately in the institution's accounts.

The free reserves in total amount to £2,026,117 (2023: £2,204,064). Included in this free reserves total are Designated funds amounting to £1,802,673 (including a 6 month operating expense reserve), leaving undesignated free reserves of £223,444.

It is the objective of the Governors to keep designated free reserves at a sum equal to 6 months unrestricted operating costs of the institution. Other reserves will be used for campus investment to be undertaken, a bursary fund (to match newly found funds) and keeps a disaster fund for emergencies. The reserves will be cautiously and purposefully managed in line with these strategic aims.

The endowment fund owns the leasehold of the campus as its principal asset and both fund and asset are reduced annually in line with depreciation of the leasehold land and buildings. The expectation is that both will be fully written down by the end of the lease in 2062.

Plans for Future Periods

The business plan is reviewed by Governors throughout the year, the financial forecasting updated and further objectives defined and added within the overall scope of a balanced budget.

Governors' Responsibilities

The Governors, who are also the directors of The Queens Foundation for Ecumenical Theological Education for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

Insofar as the Governors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and

- as the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

Auditors

JW Hinks LLP were appointed auditors during the year and they will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the governors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Rt Revd Paul Bayes
President of Governors

Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION (REGISTERED NUMBER: 05511503)**Opinion**

We have audited the financial statements of The Queen's Foundation for Ecumenical Theological Education (the 'charitable company') for the year ended 31 August 2024 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 (United Kingdom Generally Accepted Accounting Practice) and the Higher Education and Research Act (HERA 2017) and the requirements of OfS.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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.
- funds from providers for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- the requirements of the OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 governors' 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 charitable 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Cruse ACA, FCCA, BSc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date:

**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st AUGUST 2024**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £	2023 Total £
INCOME						
Tuition Fees & Accommodation Charges	12	1,713,949	40,102	-	1,754,051	1,709,272
Investment Income	3	84,811	3,890	-	88,701	82,286
Grants and Donations	4	667	311,179	-	311,846	255,969
Other Income	13	10,769	43,476	-	54,245	56,768
TOTAL INCOME		1,810,195	398,647	-	2,208,842	2,104,295
EXPENDITURE						
Charitable activities						
Costs of Providing Education	14	2,220,059	256,363	91,362	2,567,784	2,442,291
TOTAL EXPENDITURE		(2,220,059)	(256,363)	(91,362)	(2,567,784)	2,442,291
NET INCOME/(EXPENDITURE) before gains/losses		(409,864)	142,283	(91,362)	(358,942)	(337,996)
Unrealised gains/(losses) on investments	5	150,600	11,456	-	162,056	(114,613)
Realised gains/(losses) on investments	5	16,456	-	-	16,456	(4,137)
NET INCOME/(EXPENDITURE) being net movement in funds		(242,808)	153,740	(91,362)	(180,431)	(456,746)
Reconciliation of funds:						
Funds brought forward at 1st September 2023		3,460,050	1,154,637	148,468	4,763,155	5,219,901
Funds carried forward at 31st August 2024	8,9,10	3,217,242	1,308,377	57,106	4,582,724	4,763,155

All income and expenditure derive from continuing activities.

BALANCE SHEET AS AT 31st AUGUST 2024
COMPANY NUMBER 05511503

	Note	2024 £	£	2023 £	£
FIXED ASSETS					
Tangible Assets	2	1,560,637		1,770,007	
Investments	5	2,504,686		2,558,087	
		<u>4,065,322</u>	4,065,322	<u>4,328,094</u>	4,328,094
CURRENT ASSETS					
Debtors	6	163,352		107,820	
Short term Deposits		5,757		5,757	
Bank and Cash in hand		532,435		459,668	
		<u>701,544</u>		<u>573,245</u>	
CREDITORS					
Amounts falling due within 1 year	7	<u>(184,142)</u>		<u>(138,184)</u>	
NET CURRENT ASSETS			<u>517,402</u>		<u>435,061</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,582,724		4,763,155
NET ASSETS			<u><u>4,582,724</u></u>		<u><u>4,763,155</u></u>
CHARITY FUNDS					
Endowment			57,106		148,468
Restricted	8		1,308,377		1,154,637
Unrestricted (inc Designated Funds)	10		3,217,242		3,460,050
TOTAL CHARITY FUNDS			<u><u>4,582,724</u></u>		<u><u>4,763,155</u></u>

The notes on pages 15 to 32 form part of these financial statements.

These financial statements were approved by the Board of Governors on and are signed on their behalf by:

Rt Revd Paul Bayes - President of Governors

The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2024

	Note	2024 £	2023 £
Net Cashflow from operating activities	20	(204,184)	(79,449)
Property funds			
Payments to acquire fixed assets		(43,663)	(13,219)
Payments to acquire investments		(18,088)	(13,922)
Receipts from sales of investments		250,000	250,000
Interest received		88,701	82,286
Net cash flow from investing activities		276,950	305,145
Net increase/(decrease) in cash and cash equivalents		72,766	225,696
Cash and cash equivalents brought forward:		465,425	239,729
Cash and cash equivalents at year end:		538,191	465,425
Cash and cash equivalents consists of:			
Cash at bank and in hand		532,434	459,668
Short term deposits		5,757	5,757
Cash and cash equivalents:		538,191	465,425

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST
2024

I ACCOUNTING POLICIES

a General information and basis of preparation

The Queen's Foundation For Ecumenical Theological Education is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision of theological education and training and the promotion of research in theology and related subjects.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Endowment funds represent grants, donations and legacies where the income may be used for general purposes but the capital must be retained.

c Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

d Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land & Buildings - Leasehold	Nominal £10,000 for expiration of lease 4% on cost of major extensions and building works 10% on cost of refurbishments
Heating & plant	20% of cost
Motor vehicles	25% on cost written down to a minimum of £1
Audio visual equipment	33% on written down value or subsequent cost
Mowers & garden equipment	20% - 33% on cost
Computers	33% on cost
All other furniture & equipment	20% - 33% on written down value

f Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

g Stocks

All sundry food and materials are written off in the year of purchase.

h Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i Leases

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

j Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets if required. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

k Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 TANGIBLE FIXED ASSETS

Cost	Long Leasehold			Total £
	Land & Buildings £	Furniture & Equipment £	Heating & Plant £	
Balance at 1st September 2023	4,770,088	728,285	283,863	5,782,236
Additions	-	43,663	-	43,663
Disposals	-	-	-	-
Total cost at 31 August 2024	<u>4,770,088</u>	<u>771,947</u>	<u>283,863</u>	<u>5,825,898</u>
Accumulated depreciation				
Balance at 1st September 2023	3,169,907	644,596	197,726	4,012,229
Charge for the year	187,013	48,615	17,404	253,032
Disposals	-	-	-	-
Total depreciation at 31 August 2024	<u>3,356,920</u>	<u>693,211</u>	<u>215,130</u>	<u>4,265,261</u>
Net book value				
At 31st August 2024	<u>1,413,168</u>	<u>78,736</u>	<u>68,733</u>	<u>1,560,637</u>
At 31st August 2023	<u>1,600,181</u>	<u>83,689</u>	<u>86,137</u>	<u>1,770,007</u>

3 INVESTMENT INCOME

	2024 £	2023 £
Interest - Investment funds	50,296	49,749
Interest - Property funds	16,401	16,276
Interest - Fixed Interest Securities	572	501
Interest on cash deposits	3,345	1,838
Interest reinvested	18,088	13,922
	<u>88,701</u>	<u>82,286</u>

Of the above, £84,811 was unrestricted (2023: £78,439) and £3,890 was restricted (2023: £3,847).

4 GRANTS AND DONATIONS

	2024 £	2023 £
Archbishops' Council	-	44,953
Methodist Diaconal Order	10,000	10,000
Queen's Methodist Chaplaincy Donation	17,000	-
St John's College	-	150,000
Westminster College Trust Bursary	-	50,000
Westminster College Trust Racial Justice	100,000	-
St Boniface Trust (Mission)	2,967	-
St Andrews Encyclopedia of Theology	107,000	-
The Archbishops Council Racial Justice Grant	47,250	-
The Archbishops Council RMF Innovation Fund	16,965	-
University of Birmingham	9,997	-
Other donations £1,000 or less	667	1,016
	<u>311,846</u>	<u>255,969</u>

Of the above, £667 was unrestricted (2023: £45,969) and £311,179 was restricted (2023: £210,000).

5 FIXED ASSET INVESTMENTS

	2024 £	2023 £
Market value brought forward	2,558,087	2,912,914
Dividends received and reinvested	18,088	13,922
Purchase of Investments	-	-
Sale of Investments	(250,000)	(250,000)
Profit on sale/redemption of investments	16,456	(4,137)
Net unrealised profit on revaluation	162,056	(114,613)
Closing market value	<u>2,504,686</u>	<u>2,558,087</u>
Historical cost at 31st August:	<u>905,030</u>	<u>945,777</u>

The investments comprise of a portfolio of funds managed by CCLA Investment Management Ltd.

	2024 £	2023 £
Investments at market value comprise:		
Investment fund income shares	2,178,700	2,223,128
Property funds	302,161	312,436
Fixed interest securities fund income shares	23,825	22,522
	<u>2,504,686</u>	<u>2,558,087</u>

6 DEBTORS

	2024	2023
	£	£
Debtors	90,821	49,980
Other Debtors	72,531	57,840
	<u>163,352</u>	<u>107,820</u>

7 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade Creditors	120,671	68,956
Other Creditors	26,793	16,617
Tax & Social Security	26,388	29,767
Accruals & deferred income	10,290	22,844
	<u>184,142</u>	<u>138,184</u>

Included within other creditors is £13,414 (2023: £13,185) held on behalf of third parties. These funds are included within investments and bank.

8 RESTRICTED FUNDS

	Movement in Funds				
	Balance	Incoming	(Expenditure)	Transfers	Balance
	01/09/23	Resources	& Gains	In / (Out)	31/08/24
	£	£	£		£
Consolidated Fund	141,463	3,890	8,990	-	154,343
Methodist Building Grants:					
Library Extension	174,097	-	(22,118)	-	151,979
New Building Refurbishment	68,000	-	(6,800)	-	61,200
Heating overhaul	124,036	-	(24,807)	-	99,229
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	3,818	-	-	-	3,818
OFS	-	18,751	(18,751)	-	-
MEET	18,440	24,725	(24,725)	-	18,440
P'ship in Theological Education	269,321	40,102	(73,060)	-	236,363
Seedcorn	-	-	-	-	-
The Donald & Patricia Marsh Charitable Trust	97,932	-	(5,326)	-	92,606
Westminster College Trust Bursary	50,000	-	(5,326)	-	44,674
Westminster College Trust	-	100,000	(2,102)	-	97,898
Racial Justice					
St John's College Nottingham	150,000	-	(9,892)	-	140,108
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Methodist Chaplaincy	-	17,000	(8,500)	-	8,500
St Boniface	-	2,967	(2,967)	-	-
St Andrews	-	107,000	(14,920)	-	92,080
Encyclopaedia of Theology					

The Archbishops Council Racial Justice Grant	-	47,250	(16,581)	-	30,669
The Archbishops Council RMF Innovation Funding	-	16,965	-	-	16,965
University of Birmingham	-	9,997	(8,022)	-	1,975
Other	-	-	-	-	-
	<u>1,154,637</u>	<u>398,647</u>	<u>244,907</u>	<u>-</u>	<u>1,308,377</u>

The Consolidated Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance to secure student protection.

The Methodist Library Fund provided for the extension of the existing library to house the book collection of the Selly Oak Centre for Mission Studies.

The New Building grant represents part cost of the refurbishment of living accommodation for international mission students.

The Mission Centre Fund comprises a share of the funds released by the winding up of the Selly Oak Colleges Endowment Fund and are available for appropriate projects.

The Principal's Discretionary Fund consists of a deposit and bank accounts set aside to support the living costs of needy students.

The MEET Funds (Mutual Encounter and Exchange for Transformation) are held for Queen's students travelling abroad for educational purposes.

The Partnership in Theological Education Funds are to enable a collaborative programme between institutions, for building up capacity to sustain contextually effective and responsive training for ministries in partner countries.

The Donald & Patricia Marsh Charitable Trust Funds are to support financially those who aspire to become ordinands or readers who are not centrally funded and who are not in a position to fund themselves either wholly or in part.

The Westminster College Trust Bursary Funds are to support financially those who aspire to become ordinands or readers who are not centrally funded and who are not in a position to fund themselves either wholly or in part.

The Westminster College Trust Racial Justice Funds are towards the expansion of our Research department into this area.

The St John's College Nottingham Funds are towards a three year fixed term appointment to the Centre for Discipleship and Theology and a contribution to the student bursary fund.

The Methodist Chaplaincy Funds are a contribution towards the cost of Chaplaincy provision.

The St Andrew's Encyclopaedia of Theology Funds are towards research into what global theological educators need from an online Encyclopaedia.

The Archbishops' Council Racial Justice Grant Funds are from the Racial Justice Unit of the Church of England towards valuable racial justice projects.

The Archbishops' Council RMF Innovation Funds are towards research projects on neurodivergence in ministerial formation.

The University of Birmingham Funds are towards research into exploring the relationship between mystical experience and the physical body in first-hand accounts recorded in the Alister Hardy Religious Experience Research Centre.

	COMPARATIVE FOR RESTRICTED FUNDS				Balance 31/08/23 £
	Balance 01/09/22 £	Incoming Resources £	Movement in Funds (Expenditure) & Gains £	Transfers In / (Out) £	
Consolidated Fund	140,015	3,847	(2,400)	-	141,463
Methodist Building Grants:					
Library Extension	196,215	-	(22,118)	-	174,097
New Building Refurbishment	74,800	-	(6,800)	-	68,000
Heating overhaul	148,843	-	(24,807)	-	124,036
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,290	-	(472)	-	3,818
OFS	-	25,074	(25,074)	-	-
MEET	15,113	27,968	(24,641)	-	18,440
P'ship in Theological Education	209,305	158,195	(98,179)	-	269,321
Seedcorn	950	-	(950)	-	-
The Donald & Patricia Marsh Charitable Trust	100,000	-	(2,068)	-	97,932
Westminster College Trust Bursary	-	50,000	-	-	50,000
St John's College	-	150,000	-	-	150,000
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Other	-	-	-	-	-
	<u>947,061</u>	<u>425,084</u>	<u>(217,508)</u>	<u>-</u>	<u>1,154,637</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 31 AUG 2024

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,191,123	312,408	57,106	1,560,637
Investments	2,350,343	154,343	-	2,504,686
Current Assets	(140,083)	841,627	-	701,544
Creditors - Within one year	(184,142)	-	-	(184,142)
	<u>3,217,242</u>	<u>1,308,377</u>	<u>57,106</u>	<u>4,582,724</u>

NOTE : The Endowment Fund includes grants repayable on the dissolution of the College to :

The Central Board of Finance of the Church of England	30,771
The Trustees for Methodist Church Purposes	26,335
	<u>57,106</u>

The Restricted Fund includes grants repayable on the dissolution of the College to :

The Trustees for Methodist Church Purposes	439,614
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COMPARATIVE FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS 2022-2023

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,255,406	366,133	148,468	1,770,007
Investments	2,416,624	141,463	-	2,558,087
Current Assets	(73,796)	647,042	-	573,245
Creditors - Within one year	(138,184)	-	-	(138,184)
- After one year	-	-	-	-
	<u>3,460,050</u>	<u>1,154,637</u>	<u>148,468</u>	<u>4,763,155</u>

10 UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/23 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/24 £
AD 2062 Stephen Lloyd Fund	698,088	18,087	-	-	-	716,175
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	<u>1,784,586</u>	<u>18,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,802,673</u>

The AD2062 Stephen Lloyd Fund was set up to provide resources for the renewal of the lease in 2062.

The Operating Expense Reserve was created following the Governors review of reserves policy in 2020/21 to set aside reserves to cover approx 6 months operating expenses in line with recommended practise.

The Research Fund was set up when the assets of the Research Fellowship Trust were transferred to the Foundation and is created to support the objectives of research and research fellowships.

Unrestricted Funds

	Balance 01/09/23 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/24 £
Designated funds	1,784,586	18,087	-	-	-	1,802,673
Unrestricted funds	1,675,463	1,792,108	(2,220,059)	167,055	-	1,414,568
	<u>3,460,050</u>	<u>1,810,195</u>	<u>(2,220,059)</u>	<u>167,055</u>	<u>-</u>	<u>3,217,242</u>

Comparatives for Designated Funds

	Balance 01/09/22 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/23 £
AD 2062 Stephen Lloyd Fund	684,166	13,922	-	-	-	698,088
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	1,770,664	13,922	-	-	-	1,784,586

Comparatives for Unrestricted Funds

	Balance 01/09/22 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/23 £
Designated funds	1,770,664	13,922	-	-	-	1,784,586
Unrestricted funds	2,262,346	1,665,288	(2,135,821)	(116,350)	-	1,675,463
	4,033,010	1,679,211	(2,135,821)	(116,350)	-	3,460,050

11 A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Movement in Funds				
	Balance 01/09/22 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out) £	Balance 31/08/24 £
Consolidated Fund	140,015	7,737	6,590	-	154,342
Methodist Building Grants:					
- Library Extension	196,215	-	(44,236)	-	151,979
- New Building Refurbishment	74,800	-	(13,600)	-	61,200
- Heating overhaul	148,843	-	(49,614)	-	99,229
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,290	-	(472)	-	3,818
OFS	-	43,825	(43,825)	-	-
MEET	15,113	52,693	(49,366)	-	18,440
Partnership in Theological Education	209,305	198,297	(171,239)	-	236,363
Seedcorn	950	-	(950)	-	-
The Donald & Patricia Marsh Charitable Trust	100,000	-	(7,394)	-	92,606
Westminster College Trust Bursary	-	50,000	(5,326)	-	44,674
Westminster College Trust Racial Justice	-	100,000	(2,102)	-	97,898
St John's College Nottingham	-	150,000	(9,892)	-	140,108
Methodist Diaconal Order	-	20,000	(20,000)	-	-
Methodist Chaplaincy Donation	-	17,000	(8,500)	-	8,500
St Boniface	-	2,967	(2,967)	-	-
St Andrews Encyclopedia of Theology	-	107,000	(14,920)	-	92,080
The Archbishops Council Racial Justice Grant	-	47,250	(16,581)	-	30,669

The Archbishops Council RMF
Innovation Funding
University of Birmingham
Other

	-	16,965	-	-	16,965
	-	9,997	(8,022)	-	1,975
	-	-	-	-	-
	947,061	823,731	(462,416)	-	1,308,377

UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/22 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/24 £
AD 2062 Stephen Lloyd Fund	684,166	32,009	-	-	-	716,175
Research Fund	86,498	-	-	-	-	86,498
Six months operating expenses	1,000,000	-	-	-	-	1,000,000
	1,770,664	32,009	-	-	-	1,802,673

Unrestricted Funds

	Balance 01/09/22 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/24 £
Designated funds	1,770,664	32,009	-	-	-	1,802,673
Unrestricted Funds	2,262,346	3,457,397	(4,355,880)	50,705	-	1,414,568
	4,033,010	3,489,406	(4,355,880)	50,705	-	3,217,242

12 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2024 £	2023 £
Student Fees		
Centre for Ministerial Formation	870,752	792,315
Centre for Black Theology	67,602	62,020
Centre for Discipleship Theology	61,731	71,098
Centre for Continuing Ministerial Education	34,128	34,288
Partnership in Theological Education	40,102	158,195
Research	84,589	59,872
	1,158,904	1,177,788
Accommodation Charges		
Accommodation	473,577	427,144
External Rents in	54,696	39,256
Conferences, guests etc.	66,875	65,084
	595,147	531,484
Total Fees & Accommodation Charges	1,754,051	1,709,272

13 OTHER INCOME

	2024	2023
	£	£
OFS Income	18,751	25,074
MEET Income	24,725	27,968
Sundry Income	10,769	3,726
	<u>54,245</u>	<u>56,768</u>

14 ANALYSIS OF CHARITABLE EXPENDITURE

	2024	2023
	£	£
Academic & Library Costs	1,187,278	1,122,749
Disabled Student Expenditure (Reimbursed)	5,642	13,455
Administrative Costs (excluding Governance)	471,531	492,950
Catering Costs	189,252	198,001
Domestic Costs	60,729	62,149
Premises Costs	623,828	522,536
Governance Costs	29,525	30,451
	<u>2,567,784</u>	<u>2,442,291</u>

15 GOVERNANCE COSTS

	2024	2023
	£	£
Salaries - operational staff	22,235	23,211
Audit fee	7,290	7,240
	<u>29,525</u>	<u>30,451</u>

16 STAFF EMOLUMENTS

	2024	2023
	£	£
Salary Costs	1,111,887	1,070,929
National Insurance	92,435	91,595
Pension Costs	115,471	110,160
	<u>1,319,793</u>	<u>1,272,684</u>

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2024	2024	2023	2023
	FTE	Number	FTE	Number
Academic and Library	19.2	20.3	20.2	21.1
Administrative and Others	9.1	11.3	9.7	12.2
	<u>28.3</u>	<u>31.6</u>	<u>29.9</u>	<u>33.3</u>

The total amount of employee benefits received by key management personnel is £169,365 (2023: £198,351).

	2024	2023
Number of staff receiving basic salary per annum between £100,000 - £104,999	-	-

PRINCIPAL'S SALARY

All figures below are for the Principal, Clive Marsh.

The head of the Foundation is the highest paid member of staff and receives the following amount, as set by the "Lichfield Scale" national Academic Staff and Benefit Scale:

	2024 £	2023 £
Basic Salary	35,144	33,198
Payments in lieu of pension contributions	-	-
Dividends	-	-
Performance Related Pay	-	-
Pension Contributions	4,920	4,648
Salary Sacrifice Arrangements	-	-
Compensation for loss of Office	-	-
Any other pension scheme costs	-	-
Other taxable benefits:		
Governors' Discretionary Payment	14,057	13,279
Other non-taxable benefits:		
On-site Accommodation	12,800	12,800
Book Allowance	311	301
Travel Allowance	576	-
Other remuneration:		
Eg sabbatical payments	-	-

The total remuneration package for the Principal is in line with that offered to all principals of Anglican Training institutions and in line with national pay scales for Anglican clergy.

The head of the providers basic salary is 1.1 times (2023: 1.2x) the median pay of all staff, where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The head of the providers total remuneration is 1.9 times (2023: 1.9x) the median total remuneration of staff where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The total amount paid across the provider for 2023-24 for loss of office is £0 (2023: £0). The number of people for whom this is applied is: 0 (2023: 0).

17 AUDITORS REMUNERATION

	2024 £	2023 £
The auditors remuneration is comprised of: -		
Audit Fees	7,290	7,240
Other Services	-	-
	<u>7,290</u>	<u>7,240</u>

18 TRUSTEES REMUNERATION

Trustees received £2,472 for the reimbursement of travelling expenses during the year (2023: £1,896)

No trustee received any remuneration during the year (2023: £nil).

19 FINANCIAL COMMITMENTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Not later than one year	12,602	12,602
Later than one and not later than five years	12,586	25,188
Later than five years	-	-

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the year	(180,431)	(456,746)
Interest receivable	(88,701)	(82,286)
Depreciation and impairment of tangible fixed assets	253,032	254,958
Losses/(Gains) on investments	(178,512)	118,750
(Increase)/decrease in debtors	(55,531)	94,698
Increase/(decrease) in creditors	45,958	(8,823)
Net cash flow from operating activities	<u>(204,184)</u>	<u>(79,449)</u>

21 PENSION COSTS

The Foundation contributes to non-contributory defined benefit schemes operated by the Church of England for ordained clergy (CEFPS) and non-ordained employees (CWPF). For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Aviva, the cost of which is written off to the Statement of Financial Activities on an accruals basis. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

During the year the Foundation's contributions were:

	2024 £	2023 £
CEFPS	27,526	30,155
CWPF	10,553	10,237
Aviva	77,392	69,768
	<u>115,471</u>	<u>110,160</u>

The defined benefit schemes in place are accounted for as defined contribution schemes because sufficient information is not available to use defined benefit accounting.

CEFPS

The Foundation 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 pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2023/24: £27,526, 2022/23: £30,155).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

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

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

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

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

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 August 2024 is nil (2023: nil).

The legal structure of the scheme is such that if another Responsible Body fails, Queen's College Birmingham could become responsible for paying a share of that failed Responsible Body's pension liabilities.

CWPF

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

CWPF has two sections:

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

CWPF Defined Benefits Scheme:

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

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

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

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

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

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

The next actuarial valuation is due at 31 December 2022. The calculations for this are under way.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay expenses of £5,000 per year. These expenses payments ceased in the year ending 31 August 2023.

The movement in the provision is set out below:

	2023	2022
Balance sheet liability at 1 January	0	0
Deficit contribution paid	0	0
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability*(recognised in SoFA)	0	0
Balance sheet liability at 31 December	0	0

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

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

	December 2023	December 2022	December 2021
Discount rate	N/A	0.00%	0.00%

CWPF Pension Builder Scheme:

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

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

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2024: £10,553, 2023: £10,237).

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

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of

service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

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

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

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

22 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Each member liability is limited to a maximum of £1.

As at 31st August 2024 there were 12 members of the charitable company (2023: 12)

23 RELATED PARTY TRANSACTIONS

Canon Dr Sanjeevani Perera, a Governor of Queen's, live in on-site accommodation and paid rent, included in our Income total, of £8,130 in the year ended 31 August 2024.

24 POST BALANCE SHEET EVENTS

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Charity being able to continue to operate if further Covid style events take place. The trustees have considered the position of the Charity both at present and for the next 12 months given the current information available.

The Charity has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

We are in regular communication with our stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts. We have implemented plans to reduce costs where necessary and maximise appropriate income opportunities.

25 OFS DETAILS OF GRANT AND FEE INCOME

	Year ended 31 Aug 2024	Year ended 31 Aug 2023
	£,000	£,000
Grant income from the OfS	19	25
Grant income from other bodies	-	-
Fee income for taught awards	737	774
Fee income for research awards	85	60
Fee income for non-qualifying courses	337	344
Total grant and fee income	1,178	1,203

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

England & Wales - Charity number 1111892

Accounts



The Queen's Foundation

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

(A Company limited by guarantee not having a share capital)

Company Registration No 05511503

Charity Registration No 1111892

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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Governors 2022-23

Nominated Governors

- The Ven. Simon Heathfield (Anglican), Archdeacon of Aston (West Midlands Bishops' nominee, until 17 November 2022)
- Dr Rachel Jepson (Anglican), General Synod Representative (until 17 November 2022), then continuing as a co-opted member.
- The Revd Helen Kirk (Methodist), Chair of Chester and Stoke-on-Trent District (nominated by the Methodist Council)
- The Revd Deborah Caulk (Methodist), Circuit minister, The Fens Circuit (Nominated by the Methodist Council) (from 16 March 2023)
- Mr David Hermitt (Anglican), (Nominated by the General Synod) (from 17 November 2022)
- The Rt Revd Robert Springett (Anglican), Bishop of Tewkesbury (West Midlands Bishops' nominee, from 17 November 2022)

Co-opted Governors

- The Rt Rev Paul Bayes, (Anglican) President of the Governing Body
- The Revd Kenneth Howcroft (Methodist) Vice President of the Governing Body
- Revd Dr Claire Maxim (Anglican), Priest in Charge of North Tyne & Redesdale
- Professor Helen Dent, (Anglican), Reader (until 13 July 2023)
- Mrs Mavis Jones (Wesleyan Holiness Church)
- The Revd Chris Collins (Methodist, South Worcestershire Circuit) (until 13 July 2023)
- Mrs Barbara Easton (Methodist) (from 17 November 2022)
- Canon Dr Sanjeevani Perera (Anglican) (from 13 July 2023)
- Revd Dr Miranda Threlfall-Holmes (Anglican), Archdeacon of Liverpool (from 17 November 2022)

Auditors

JW Hinks LLP
19 Highfield Road
Edgbaston
Birmingham B15 3BH

Bankers

Bank of Scotland
55 Temple Row
Birmingham
B2 5LS

Solicitors

Anthony Collins
134 Edmund Street
Birmingham
B3 2ES

The Queen's Foundation for Ecumenical Theological Education
Somerset Road, Edgbaston, Birmingham, B15 2QH

STATEMENT OF CORPORATE GOVERNANCE

The members of the board of Governors present their report together with the financial statements of The Queen's Foundation for Ecumenical Theological Education for the year ended 31 August 2023. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a Directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with the charitable company's memorandum and articles, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS 102).

President of Governors Introduction

2022-23 was a more stable year than the previous two. If we are not 'post-Covid' entirely, this was the first year since 2018-19 not to be substantially disrupted by the pandemic. We welcomed two new full-time academic staff at the end of the academic year, Dr Andrew Mein as Director of Research and Dr Jo Henderson-Merrygold as Director of the Centre for Discipleship and Theology. Student numbers dipped in 22-23 and have done so again for the Sept 23 intake before we expect an upturn (for a variety of reasons) in many areas of our work in Sept 24. A particular highlight of 22-23 was again being able – on June 10th 2023 – to hold the end-of-year celebratory Foundation Event in person, as well as supporting two overseas visits by students and staff teams (to our partner institutions in Rwanda in May, and to Sri Lanka in July).

Strategic Plan. The priorities of the (three-year) Strategic Plan agreed in 2020 remain in place: development particularly in the areas of Black Theology, Distance Learning and the capacity-building work with international research students in Rwanda and Sri Lanka funded by the Partnership in Theological Education (PITE). The fact that we were able to welcome for the first time onto campus students from our partner institutions (for their 3-month study stays) was a major turning-point.

Bursary Funding. The generous grant of £100k from the Don and Patricia Marsh Trust, supplemented by £50k from the Westminster College Oxford Trust, was able to be used to offer, for the first time, from January 2023 bursary funding especially to lay people needing encouragement to dip their toe into the world of theological education. The first awards made to students will be taken up from September 2023.

Partnerships with Churches. Our two key current, formal links with the Church of England and the Methodist Church remain strong and healthy. The continuing impact of Covid upon those testing their vocations through the churches' selection procedures and significant changes in the discernment processes of the Church of England are two reasons why Anglican numbers are low for the moment. Changes in the Methodist Church's candidating process may mean, however, that there will be a significant increase in numbers from Sept 2024. The task of exploring further the conversations which had begun with Pentecostal denominations about possible formal partnerships remains ongoing.

Staff Publications (2022-3)

Academic staff continue to have been active in research and in producing publications. These include:

Dr Dave Allen, "Something Old, Something New: The Origin of the Song of Moses in Rev 15.3," in Susan Docherty and Steve Smith (eds.) *The Scriptures in the Book of Revelation and Apocalyptic Literature* (LNTS 634. London: T&T Clark 2023), 53-64.

- "Choose (Intertextual) Life: Echoes of Deuteronomy 30 in the New Testament – a Case Study," in J. Coutts *et al* (eds.) *It's About Life: The Formative Power of Scripture* (Vancouver: Regent Publishing 2023), 7-29.

Prof Robert Beckford, *Decolonizing Contemporary Gospel Music Through Praxis: Handsworth Revolutions (Bloomsbury Studies in Black Religion and Cultures)* (London and New York: Bloomsbury Academic 2023)

Revd Mark Earey, *Church of England Worship: A Basic Guide* (Cambridge, Grove Books Ltd 2023).

Prof. Clive Marsh, 'Apocalyptic on Screen - Can the Hermeneutical Flow Really be Reversed? The TV Drama Series *Years and Years* and the Book of Revelation' in Susan Docherty and Steve Smith (eds.) *The Scriptures in the Book of Revelation and Apocalyptic Literature* (LNTS 634. London: T&T Clark 2023), 131-144.

Dr Rachel Starr, 'Marriage and LLF', *Modern Believing* 64, 1 (2003), 17-25.

- Cocksworth, Ashley, Rachel Starr and Stephen Burns (eds), *From the Shores of Silence: Conversations in Feminist Practical Theology* (London: SCM Press 2023).

- 'Unbecoming: reflections on the work of a white theologian,' in Anthony G. Reddie and Carol Troupe (eds), *Deconstructing Whiteness, Empire and Mission* (London: SCM Press 2023), 225-244.

Revd Dr Carlton Turner and Nick Russell, 'Eltham: The Limits of Being Christian', in Al Barrett (ed.), *Finding the Treasure: Good News from the Estates: Reflections from the Church of England Estates Theology Project* (London: SPCK 2023), 55-69.

Administrative staff changes

There has been ongoing re-organisation within the Professional Services Team, though the internal move made by Katie Cooper from a Centre for Ministerial Formation administrative role to the post of Registry Manager has been a great success, as has Kate Knight's dual role as Foundation Administrator and Ministerial Formation administrator. Naina Jassal joined the Registry team, and a number of part-time reception staff saw us through the year. We have finally filled the front-of-house administrator post and still seek more reception support. We have also found it difficult to fill a Facilities Supervisor post, but the expansion of Georgina Bewley's Campus Manager role has worked well.

Governing Documents

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30th June 2014. It is a charity, registered with the Charities Commission under a scheme dated June 2006 and for accounting purposes is unified with the Queen's Foundation for Ecumenical Theological Education, Permanent Endowment Trust, by an Order of the Commission issued on the same date. There are currently twelve members (Governors).

Appointment of Governors

The governance of the Foundation is the responsibility of the Governors, 4 of whom are nominated and 12 of whom are co-opted. The 4 nominated Governors are nominated respectively by the General Synod of the Church of England, the Council of the Methodist Church (2 members), and the Church of England West Midlands Bishops. Existing Governors serve terms of appointment of 3 years. New appointments and reappointments are made for a term of 3 years. The remaining Governors are co-opted according to appropriate skills and experience. Lists of suitable nominees are drawn up by the Governors, or a special sub committee appointed by the Governors and approached by the President of Governors to establish their willingness to serve. All appointments are subject to a vote of approval by the Governors. The Governors serve as directors of the limited company.

Trustee Training

The Foundation arranges periodic training events for Governors.

Organisation

The Governors annually appoint one of their number to act as President of Governors. The Governors have appointed an Audit Committee (formerly the Finance and General Purposes Committee) which in addition to overseeing the Foundation's financial affairs also scrutinises, evaluates and monitors academic quality and the data that is gathered and reported on to assure this. The Committee reports to governors to support them in their responsibilities in both financial and quality matters. The Audit Committee also considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning, including acting as a nominations committee for Governor appointments. Other committees are appointed by the Governors from time to time to consider such specific matters as may be delegated by the Governors.

Key Management personnel

The day-to-day operations of the Foundation are controlled and monitored by the Leadership Team which comprises the Principal, the Academic Dean, the Directors of each of the five Formation and Teaching Centres, the Director of Operations and the Director of Finance. They meet monthly to discuss current strategic matters affecting all aspects of the Foundation and their work is supported by a Senior Management Group comprising the Principal, the Academic Dean, the Director of Operations and the Director of Finance, which acts on matters deriving from the Leadership Team, and steers matters to it for policy and strategic consideration.

Remuneration of academic staff

The remuneration of academic staff is based on the Lichfield scale set out by the Archbishops' Council of the Church of England and this is then subject to increments based on responsibility by individual job description. Pension contributions are made to either the church schemes to whom ordained ministers belong or to the Foundation's defined contribution scheme.

Risk Management & Internal Control

The Governors review the major risks to which the Foundation is exposed and systems have been established to manage these risks. Internal risks of control are minimised by the implementation of procedures for authorisation and monitoring of transactions, and potential external risks to the future levels of income and the ability to deliver satisfactory tuition to students are addressed by the Leadership Team and the Governors on an annual basis.

The Foundation manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee. The primary objectives of the Foundation are kept in view throughout. Financial components are contained within the register.

The major risks facing the Foundation have been identified under the following headings:

- Possibility of financial misfeasance
- Loss of key academic and admin staff – including the Principal
- Withdrawal of student placements by our major Church partners
- Lack of governors with sufficient relevant expertise to sit on Board
- Ensuring satisfactory compliance with the increasingly rigorous Government and other University monitoring processes

All these areas are regularly reviewed by the Governors and every effort is made to ensure that the appropriate action is taken to mitigate the potential damage that these risks may give rise to.

This action includes:

- a review of systems annually by the auditors and the Audit Committee of the Governors, cheque signatories scrutinising back-up paperwork and segregation of duties wherever possible.
- Regular appraisal and monitoring of recruitment by the Principal, who regularly reports to the Governors, combined with frequent admin staff meetings to identify HR issues and maintaining satisfactory recruitment levels to ensure staff are fully engaged.
- Development of the website to ensure potential students are fully able to grasp benefits of study at the Foundation combined with active participation by key staff with Methodist Connexional Committees and reviews and processes.
- President and Principal and other governors regularly review Governor constitution and actively seek to identify potential new members of the board both locally and nationwide on an ongoing basis.
- Members of the administration team are provided with suitable staff development to ensure that they are fully aware with compliance procedures and staffing levels within the registry team are regularly reviewed to ensure that the increasing complex reporting requirements are handled well. Software systems are also regularly assessed to maintain adequate reporting and data handling processes.

Objectives and activities

Under its Articles of Association the objects of the Foundation are:

- The provision of part-time and full-time training for ordination within their respective churches for members of such Christian denominations as the governors shall from time to time determine.
- The provision of such forms of theological education and training as the governors shall from time to time determine.
- The promotion of research in theology and related subjects.

The Governors are satisfied that the objectives, as stated, meet the public interest criteria of the Charities Act 2011.

Relationships with the Churches

The fees of candidates for ordained ministry are funded wholly or in part by the Church of England and the Methodist Church. Close working relationships are maintained on a formal basis through the nomination of Governors as described in a previous section of this Report and by the attendance of officers of these Churches at Governors' meetings. Informal contacts between officers of the Churches and the staff of the Foundation are maintained on a continuing basis. The Foundation's ecumenical ethos is also exemplified in the maintenance of relationships with other churches, especially through an informal partnership with the Wesleyan Holiness Church, relationships with many Pentecostal churches and partnerships with a number of dioceses to provide training for Readers in the Church of England and ongoing development for Methodist probationer and Anglican curates.

Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 14 to 16 and comply with the Foundation's governing documents and applicable law. Normal activities resulted in a deficit of £337,996 before changes in investment values.

Investment values fell during the year, with the year-end valuation producing an unrealised loss on investments of £114,613 (2022: loss of £79,086). This was split between unrestricted funds £112,213 and restricted funds of £2,400. £250,000 of investments were sold during the year (2022: £nil).

Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted and designated reserves as seem prudent at that time to meet unavoidable future

liabilities. Restricted reserves also include funding donated to the Foundation under terms which require that the resources are identified separately in the institution's accounts.

The free reserves in total amount to £2,204,064 (2022: £2,680,952). Included in this free reserves total are Designated funds amounting to £1,784,586 (including a 6 month operating expense reserve), leaving undesignated free reserves of £419,478.

It is the objective of the Governors to keep designated free reserves at a sum equal to 6 months unrestricted operating costs of the institution. Other reserves will be used for campus investment to be undertaken, a bursary fund (to match newly found funds) and keeps a disaster fund for emergencies. The reserves will be cautiously and purposefully managed in line with these strategic aims.

The endowment fund owns the leasehold of the campus as its principal asset and both fund and asset are reduced annually in line with depreciation of the leasehold land and buildings. The expectation is that both will be fully written down by the end of the lease in 2062.

Plans for Future Periods

The business plan is reviewed by Governors throughout the year, the financial forecasting updated and further objectives defined and added within the overall scope of a balanced budget.

Governors' Responsibilities

The Governors, who are also the directors of The Queens Foundation for Ecumenical Theological Education for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

Insofar as the Governors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and

- as the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

Auditors

JW Hinks LLP were appointed auditors during the year and they will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the governors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.



Rt Revd Paul Bayes
President of Governors

Date: 5-12-2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION (REGISTERED NUMBER: 05511503)

Opinion

We have audited the financial statements of The Queen's Foundation for Ecumenical Theological Education (the 'charitable company') for the year ended 31 August 2023 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 (United Kingdom Generally Accepted Accounting Practice) and the Higher Education and Research Act (HERA 2017) and the requirements of OfS.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- funds from providers for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- the requirements of the OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 governors' 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 charitable 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities,

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

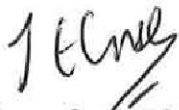
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cruse ACA, FCCA, BSc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 05/12/2023

**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st AUGUST 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £	2022 Total £
INCOME						
Tuition Fees & Accommodation Charges	12	1,551,077	158,195	-	1,709,272	1,951,256
Investment Income	3	78,439	3,847	-	82,286	86,564
Grants and Donations	4	45,969	210,000	-	255,969	155,394
Other Income	13	3,726	53,042	-	56,768	33,968
TOTAL INCOME		1,679,211	425,084	-	2,104,295	2,227,182
EXPENDITURE						
Charitable activities						
Costs of Providing Education	14	2,135,821	215,108	91,362	2,442,291	2,463,786
TOTAL EXPENDITURE		2,135,821	215,108	91,362	2,442,291	2,463,786
NET INCOME/(EXPENDITURE) before gains/losses		(456,610)	209,976	(91,362)	(337,996)	(236,604)
Unrealised gains/(losses) on investments	5	(112,213)	(2,400)	-	(114,613)	(79,086)
Realised gains/(losses) on investments	5	(4,137)	-	-	(4,137)	-
NET INCOME/(EXPENDITURE) being net movement in funds		(572,960)	207,576	(91,362)	(456,746)	(315,690)
Reconciliation of funds:						
Funds brought forward at 1st September 2022		4,033,010	947,061	239,830	5,219,901	5,535,592
Funds carried forward at 31st August 2023	8,9,10	3,460,050	1,154,637	148,468	4,763,155	5,219,901

All income and expenditure derive from continuing activities.

BALANCE SHEET AS AT 31st AUGUST 2023
COMPANY NUMBER 05511503

	Note	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible Assets	2	1,770,007		2,011,746	
Investments	5	2,558,087		2,912,914	
			4,328,094		4,924,660
CURRENT ASSETS					
Debtors	6	107,820		202,519	
Short term Deposits		5,757		5,757	
Bank and Cash in hand		459,668		233,972	
		573,245		442,248	
CREDITORS					
Amounts falling due within 1 year	7	(138,184)		(147,007)	
NET CURRENT ASSETS			435,061		295,241
TOTAL ASSETS LESS CURRENT LIABILITIES			4,763,155		5,219,901
NET ASSETS			4,763,155		5,219,901
CHARITY FUNDS					
Endowment			148,468		239,830
Restricted	8		1,154,637		947,061
Unrestricted (inc Designated Funds)	10		3,460,050		4,033,010
TOTAL CHARITY FUNDS			4,763,155		5,219,901

The notes on pages 14 to 29 form part of these financial statements.

These financial statements were approved by the Board of Governors on 5-12-2023 and are signed on their behalf by:

+ Paul Bayes

Rt Revd Paul Bayes - President of Governors

The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2023

	Note	2023 £	2022 £
Net Cashflow from operating activities	20	<u>(79,449)</u>	<u>149,992</u>
Property funds			
Payments to acquire fixed assets		(13,219)	(164,626)
Payments to acquire investments		(13,922)	(13,269)
Receipts from sales of investments		250,000	-
Interest received		82,286	86,564
Net cash flow from investing activities		<u>305,145</u>	<u>(91,331)</u>
Net increase/(decrease) in cash and cash equivalents		225,696	58,661
Cash and cash equivalents brought forward:		239,729	181,069
Cash and cash equivalents at year end:		<u>465,425</u>	<u>239,729</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		459,668	233,972
Short term deposits		5,757	5,757
Cash and cash equivalents:		<u>465,425</u>	<u>239,729</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST
2023

I ACCOUNTING POLICIES

a General information and basis of preparation

The Queen's Foundation For Ecumenical Theological Education is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision of theological education and training and the promotion of research in theology and related subjects.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Endowment funds represent grants, donations and legacies where the income may be used for general purposes but the capital must be retained.

c Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

d Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land & Buildings - Leasehold	Nominal £10,000 for expiration of lease 4% on cost of major extensions and building works 10% on cost of refurbishments
Heating & plant	20% of cost
Motor vehicles	25% on cost written down to a minimum of £1
Audio visual equipment	33% on written down value or subsequent cost
Mowers & garden equipment	20% - 33% on cost
Computers	33% on cost
All other furniture & equipment	20% - 33% on written down value

f Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

g Stocks

All sundry food and materials are written off in the year of purchase.

h Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i Leases

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

j Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets if required. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

k Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 TANGIBLE FIXED ASSETS

Cost	Long Leasehold			Total £
	Land & Buildings £	Furniture & Equipment £	Heating & Plant £	
Balance at 1st September 2022	4,770,088	715,067	283,863	5,769,018
Additions	-	13,219	-	13,219
Disposals	-	-	-	-
Total cost at 31 August 2023	4,770,088	728,285	283,863	5,782,236
Accumulated depreciation				
Balance at 1st September 2022	2,982,893	594,055	180,322	3,757,271
Charge for the year	187,013	50,541	17,404	254,958
Disposals	-	-	-	-
Total depreciation at 31 August 2023	3,169,907	644,596	197,726	4,012,229
Net book value				
At 31st August 2023	1,600,181	83,689	86,137	1,770,007
At 31st August 2022	1,787,195	121,011	103,541	2,011,746

3 INVESTMENT INCOME

	2023 £	2022 £
Interest - Investment funds	49,749	56,300
Interest - Property funds	16,276	16,276
Interest - Fixed Interest Securities	501	673
Interest on cash deposits	1,838	46
Interest reinvested	13,922	13,269
	82,286	86,564

Of the above, £78,439 was unrestricted (2022: £82,766) and £3,847 was restricted (2022: £3,805).

4 GRANTS AND DONATIONS

	2023	2022
	£	£
The Donald & Patricia Marsh Charitable Trust	-	100,000
Archbishops' Council	44,953	24,000
Methodist Diaconal Order	10,000	10,000
Queen's Methodist Chaplaincy Donation	-	8,000
St John's College	150,000	-
Westminster College Trust	50,000	-
Anonymous	-	7,408
St Boniface Trust (Mission)	-	2,786
Seedcorn Grant	-	1,750
United Friends of Queens	-	-
Other donations £1,000 or less	1,016	1,450
	<u>255,969</u>	<u>155,394</u>

Of the above, £45,969 was unrestricted (2022: £28,129) and £210,000 was restricted (2022: £127,265).

5 FIXED ASSET INVESTMENTS

	2023	2022
	£	£
Market value brought forward	2,912,914	2,978,731
Dividends received and reinvested	13,922	13,269
Purchase of Investments	-	-
Sale of Investments	(250,000)	-
Profit on sale/redemption of investments	(4,137)	-
Net unrealised profit on revaluation	(114,613)	(79,086)
Closing market value	<u>2,558,087</u>	<u>2,912,914</u>
Historical cost at 31st August:	<u>945,777</u>	<u>1,003,229</u>

The investments comprise of a portfolio of funds managed by CCLA Investment Management Ltd.

	2023	2022
	£	£
Investments at market value comprise:		
Investment fund income shares	2,223,128	2,503,001
Property funds	312,436	387,564
Fixed interest securities fund income shares	22,522	22,349
	<u>2,558,087</u>	<u>2,912,914</u>

6 DEBTORS

	2023 £	2022 £
Debtors	49,980	127,052
Other Debtors	57,840	75,467
	<u>107,820</u>	<u>202,519</u>

7 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade Creditors	68,956	85,900
Other Creditors	16,617	11,271
Tax & Social Security	29,767	20,386
Accruals & deferred income	22,844	29,450
	<u>138,184</u>	<u>147,007</u>

Included within other creditors is £13,185 (2022: £9,614) held on behalf of third parties. These funds are included within investments and bank.

8 RESTRICTED FUNDS

	Balance 01/09/22 £	Movement in Funds		Transfers In / (Out)	Balance 31/08/23 £
		Incoming Resources £	(Expenditure) & Gains £		
Consolidated Fund	140,015	3,847	(2,400)	-	141,463
Methodist Building Grants:					
Library Extension	196,215	-	(22,118)	-	174,097
New Building Refurbishment	74,800	-	(6,800)	-	68,000
Heating overhaul	148,843	-	(24,807)	-	124,036
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,290	-	(472)	-	3,818
OFS	-	25,074	(25,074)	-	-
MEET	15,113	27,968	(24,641)	-	18,440
P'ship in Theological Education	209,305	158,195	(98,179)	-	269,321
Seedcorn	950	-	(950)	-	-
The Donald & Patricia Marsh Charitable Trust	100,000	-	(2,068)	-	97,932
Westminster College Trust	-	50,000	-	-	50,000
St John's College Nottingham	-	150,000	-	-	150,000
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Other	-	-	-	-	-
	<u>947,061</u>	<u>425,084</u>	<u>(217,508)</u>	<u>-</u>	<u>1,154,637</u>

The Consolidated Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance to secure student protection.

The Methodist Library Fund provided for the extension of the existing library to house the book collection of the Selly Oak Centre for Mission Studies.

The New Building grant represents part cost of the refurbishment of living accommodation for international mission students.

The Mission Centre Fund comprises a share of the funds released by the winding up of the Selly Oak Colleges Endowment Fund and are available for appropriate projects.

The Principal's Discretionary Fund consists of a deposit and bank accounts set aside to support the living costs of needy students.

	COMPARATIVE FOR RESTRICTED FUNDS				
	Balance 01/09/21 £	Incoming Resources £	Movement in Funds (Expenditure) & Gains £	Transfers In / (Out) £	Balance 31/08/22 £
Consolidated Fund	142,838	3,805	(6,628)	-	140,015
Methodist Building Grants:					
Library Extension	218,333	-	(22,118)	-	196,215
New Building Refurbishment	81,600	-	(6,800)	-	74,800
Heating overhaul	173,650	-	(24,807)	-	148,843
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,300	-	(10)	-	4,290
OFS	-	30,288	(30,288)	-	-
MEET	27,118	-	(12,005)	-	15,113
P'ship in Theological Education	114,075	179,175	(83,945)	-	209,305
HMRC JRS	-	-	-	-	-
Methodist Chaplaincy	-	8,000	(8,000)	-	-
St Augustine's Fdn	9,260	-	(9,260)	-	-
Seedcorn	-	1,750	(800)	-	950
The Donald & Patricia	-	100,000	-	-	100,000
Marsh Charitable Trust	-	-	-	-	-
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Other	-	7,515	(7,515)	-	-
	<u>828,705</u>	<u>340,533</u>	<u>(222,176)</u>	<u>-</u>	<u>947,061</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 31 AUG 2023

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,255,406	366,133	148,468	1,770,007
Investments	2,416,624	141,463	-	2,558,087
Current Assets	(73,796)	647,042	-	573,245
Creditors - Within one year	(138,184)	-	-	(138,184)
	<u>3,460,050</u>	<u>1,154,637</u>	<u>148,468</u>	<u>4,763,155</u>

NOTE : The Endowment Fund includes grants repayable on the dissolution of the College to :

The Central Board of Finance of the Church of England	80,000
The Trustees for Methodist Church Purposes	68,468
	<u>148,468</u>

The Restricted Fund includes grants repayable on the dissolution of the College to :
The Trustees for Methodist Church Purposes

468,532

COMPARATIVE FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS 2021-2022

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,352,058	419,858	239,830	2,011,746
Investments	2,772,899	140,015	-	2,912,914
Current Assets	55,060	387,188	-	442,248
Creditors - Within one year	(147,007)	-	-	(147,007)
- After one year	-	-	-	-
	<u>4,033,010</u>	<u>947,061</u>	<u>239,830</u>	<u>5,219,901</u>

10 UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/22 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/23 £
AD 2062 Stephen Lloyd Fund	684,166	13,922	-	-	-	698,088
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	<u>1,770,664</u>	<u>13,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,784,586</u>

The AD2062 Stephen Lloyd Fund was set up to provide resources for the renewal of the lease in 2062.

The Operating Expense Reserve was created following the Governors review of reserves policy in 2020/21 to set aside reserves to cover approx 6 months operating expenses in line with recommended practise.

The Research Fund was set up when the assets of the Research Fellowship Trust were transferred to the Foundation and is created to support the objectives of research and research fellowships.

Unrestricted Funds

	Balance 01/09/22 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/23 £
Designated funds	1,770,664	13,922	-	-	-	1,784,586
Unrestricted funds	2,262,346	1,665,288	(2,135,821)	(116,350)	-	1,675,463
	<u>4,033,010</u>	<u>1,679,211</u>	<u>(2,135,821)</u>	<u>(116,350)</u>	<u>-</u>	<u>3,460,050</u>

Comparatives for Designated Funds

	Balance 01/09/21 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/22 £
AD 2062 Stephen Lloyd Fund	670,897	13,269	-	-	-	684,166
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	1,757,395	13,269	-	-	-	1,770,664

Comparatives for Unrestricted Funds

	Balance 01/09/21 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/22 £
Designated funds	1,757,395	13,269	-	-	-	1,770,664
Unrestricted funds	2,617,489	1,873,380	(2,156,065)	(72,458)	-	2,262,346
	4,374,884	1,886,649	(2,156,065)	(72,458)	-	4,033,010

11 A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Movement in Funds				
	Balance 01/09/21 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out) £	Balance 31/08/23 £
Consolidated Fund	142,838	7,652	(9,028)	-	141,463
Methodist Building Grants:					
- Library Extension	218,333	-	(44,236)	-	174,097
- New Building Refurbishment	81,600	-	(13,600)	-	68,000
- Heating overhaul	173,650	-	(49,614)	-	124,036
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,300	-	(482)	-	3,818
OFS	-	55,362	(55,362)	-	-
MEET	27,118	27,968	(36,646)	-	18,440
Partnership in Theological Education	114,075	337,370	(182,124)	-	269,321
Methodist Chaplaincy Donation	-	8,000	(8,000)	-	-
St Augustine's Foundation	9,260	-	(9,260)	-	-
Seedcorn	-	1,750	(1,750)	-	-
The Donald & Patricia Marsh Charitable Trust	-	100,000	(2,068)	-	97,932
Westminster College Trust	-	50,000	-	-	50,000
St John's College Nottingham	-	150,000	-	-	150,000
Methodist Diaconal Order	-	20,000	(20,000)	-	-
Other	-	7,515	(7,515)	-	-
	828,705	765,617	(439,684)	-	1,154,637

UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/21 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/23 £
AD 2062 Stephen Lloyd Fund	670,897	27,191	-	-	-	698,088
Research Fund	86,498	-	-	-	-	86,498
Six months operating expenses	1,000,000	-	-	-	-	1,000,000
	<u>1,757,395</u>	<u>27,191</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,784,586</u>

Unrestricted Funds

	Balance 01/09/21 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/23 £
Designated funds	1,757,395	27,191	-	-	-	1,784,586
Unrestricted Funds	2,617,489	3,538,669	(4,291,886)	(188,808)	-	1,675,463
	<u>4,374,884</u>	<u>3,565,861</u>	<u>(4,291,886)</u>	<u>(188,808)</u>	<u>-</u>	<u>3,460,050</u>

12 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Student Fees		
Centre for Ministerial Formation	792,315	841,517
Centre for Black Theology	62,020	76,803
Centre for Discipleship Theology	71,098	98,670
Centre for Continuing Ministerial Education	34,288	69,220
Partnership in Theological Education	158,195	179,175
Research	59,872	82,432
	<u>1,177,788</u>	<u>1,347,817</u>
Accommodation Charges		
Accommodation	427,144	485,459
External Rents in	39,256	19,139
Conferences, guests etc.	65,084	98,841
	<u>531,484</u>	<u>603,439</u>
Total Fees & Accommodation Charges	<u>1,709,272</u>	<u>1,951,256</u>

13 OTHER INCOME

	2023	2022
	£	£
OFS Income	25,074	30,288
MEET Income	27,968	-
Sundry Income	3,726	3,680
	<u>56,768</u>	<u>33,968</u>

14 ANALYSIS OF CHARITABLE EXPENDITURE

	2023	2022
	£	£
Academic & Library Costs	1,122,749	1,103,768
Disabled Student Expenditure (Reimbursed)	13,455	4,145
Administrative Costs (excluding Governance)	492,950	454,898
Catering Costs	198,001	197,357
Domestic Costs	62,149	67,875
Premises Costs	522,536	611,605
Governance Costs	30,451	24,139
	<u>2,442,291</u>	<u>2,463,786</u>

15 GOVERNANCE COSTS

	2023	2022
	£	£
Salaries - operational staff	23,211	17,539
Audit fee	7,240	6,600
	<u>30,451</u>	<u>24,139</u>

16 STAFF EMOLUMENTS

	2023	2022
	£	£
Salary Costs	1,070,929	990,831
National Insurance	91,595	74,917
Pension Costs	110,160	119,966
	<u>1,272,684</u>	<u>1,185,714</u>

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2023 FTE	2023 Number	2022 FTE	2022 Number
Academic and Library	20.2	21.1	20.2	24.1
Administrative and Others	9.7	12.2	9.1	13.0
	<u>29.9</u>	<u>33.3</u>	<u>29.3</u>	<u>37.1</u>

The total amount of employee benefits received by key management personnel is £198,351 (2022: £199,535).

	2023	2022
Number of staff receiving basic salary per annum between £100,000 - £104,999	-	-

PRINCIPAL'S SALARY

All figures below are for the Principal, Clive Marsh.

The head of the Foundation is the highest paid member of staff and receives the following amount, as set by the "Lichfield Scale" national Academic Staff and Benefit Scale:

	2023 £	2022 £
Basic Salary	33,198	32,304
Payments in lieu of pension contributions	-	-
Dividends	-	-
Performance Related Pay	-	-
Pension Contributions	4,648	4,505
Salary Sacrifice Arrangements	-	-
Compensation for loss of Office	-	-
Any other pension scheme costs	-	-
Other taxable benefits:		
Book Allowance	301	776
Travel Allowance	-	2,043
Governors' Discretionary Payment	13,279	7,500
Responsibility Point Payment (based on the number of staff in addition to the Principal)	-	3,167
Other non-taxable benefits:		
On-site Accommodation	12,800	9,427
Other remuneration:		
Eg sabbatical payments	-	-

The total remuneration package for the Principal is in line with that offered to all principals of Anglican Training institutions and in line with national pay scales for Anglican clergy.

The head of the providers basic salary is 1.2 times (2022: 1.1x) the median pay of all staff, where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The head of the providers total remuneration is 1.9 times (2022: 1.6x) the median total remuneration of staff where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The total amount paid across the provider for 2022-23 for loss of office is £0 (2022: £8,000). The number of people for whom this is applied is: 0 (2022: 1).

17 AUDITORS REMUNERATION

	2023	2022
	£	£
The auditors remuneration is comprised of: -		
Audit Fees	7,240	6,600
Other Services	-	-
	<u>7,240</u>	<u>6,600</u>

18 TRUSTEES REMUNERATION

Trustees received £1,896 for the reimbursement of travelling expenses during the year (2022: £298)

No trustee received any remuneration during the year (2022: £nil).

19 FINANCIAL COMMITMENTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than one year	12,602	12,602
Later than one and not later than five years	25,188	29,366
Later than five years	-	-

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income/(expenditure) for the year	(456,746)	(315,690)
Interest receivable	(82,286)	(86,564)
Depreciation and impairment of tangible fixed assets	254,958	260,653
Losses/(Gains) on investments	118,750	79,086
(Increase)/decrease in debtors	94,698	196,603
Increase/(decrease) in creditors	(8,823)	15,904
Net cash flow from operating activities	<u>(79,449)</u>	<u>149,992</u>

21 PENSION COSTS

The Foundation contributes to non-contributory defined benefit schemes operated by the Church of England for ordained clergy (CEFPS) and non-ordained employees (CWPF). For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Aviva, the cost of which is written off to the Statement of Financial Activities on an accruals basis. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

During the year the Foundation's contributions were:

	2023	2022
	£	£
CEFPS	30,155	43,819
CWPF	10,237	12,958
Aviva	69,768	63,188
	<u>110,160</u>	<u>119,965</u>

The defined benefit schemes in place are accounted for as defined contribution schemes because sufficient information is not available to use defined benefit accounting.

CEFPS

The Foundation 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 pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2022/23: £30,155, 2021/22: £43,819).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

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

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil.

The legal structure of the scheme is such that if another Responsible Body fails, Queen's College Birmingham could become responsible for paying a share of that failed Responsible Body's pension liabilities.

CWPF

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

CWPF has two sections:

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

Pension Builder Scheme:

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

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

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2023: £10,237, 2022: £12,958).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

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

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

22 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Each member liability is limited to a maximum of £1.

As at 31st August 2023 there were 12 members of the charitable company (2022: 9)

23 RELATED PARTY TRANSACTIONS

There were no related party transactions for the year ended 31 August 2023.

24 POST BALANCE SHEET EVENTS

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Charity being able to continue to operate if further Covid style events take place. The trustees have considered the position of the Charity both at present and for the next 12 months given the current information available.

The Charity has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

We are in regular communication with our stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts. We have implemented plans to reduce costs where necessary and maximise appropriate income opportunities.

25 OFS DETAILS OF GRANT AND FEE INCOME

	Year ended 31 Aug 2023	Year ended 31 Aug 2022
	£,000	£,000
Grant income from the OfS	25	30
Grant income from other bodies	-	2
Fee income for taught awards	774	1,022
Fee income for research awards	60	82
Fee income for non-qualifying courses	344	244
Total grant and fee income	1,203	1,380

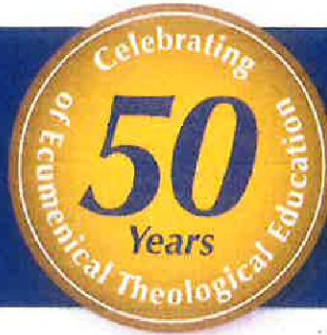
THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

England & Wales - Charity number 1111892

Accounts

**The Queen's
Foundation**

1970-2020



**THE QUEEN'S FOUNDATION
FOR ECUMENICAL THEOLOGICAL EDUCATION**

**AMENDED ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

(A Company limited by guarantee not having a share capital)

Company Registration No 05511503

Charity Registration No 1111892

AMENDED ACCOUNTS

These accounts have been prepared as they were at the date of the original accounts, replace the original accounts and are now the statutory accounts.

The following amendment has been made:

- Inclusion of Note 25 'OfS Details of Grant and Fee income'

There has been no change in the financial position of the Company as a consequence of this amendment.

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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Governors 2021-22

Nominated Governors

- The Ven. Simon Heathfield (Anglican), Archdeacon of Aston (West Midlands Bishops' nominee)
- Dr Rachel Jepson (Anglican), General Synod Representative, Birmingham Diocese.
- Professor Ken Mortimer (Methodist, nominated by the Methodist Council) (until 14 July 2022)
- The Revd Helen Kirk (Methodist), Chair of Chester and Stoke-on-Trent District (nominated by the Methodist Council)

Co-opted Governors

- The Revd Kenneth Howcroft (Methodist). Former President of the Methodist Conference President of the Governing Body until 14 July 2022. Vice President of the Governing Body from 14 July 2022
- The Rt Rev Paul Bayes, (Anglican)
Vice President of the Governing Body until 14 July 2022. President of the Governing Body from 14 July 2022
- Dr Revd Claire Maxim (Anglican), CEO Arthur Rank Centre (until May 22). Priest in Charge of North Tyne & Redesdale (from May 22)
- Dr Paul Stewart, Head of Training, Church of God of Prophecy (until 14 July 2022)
- The Revd Lucy Winkett (Anglican), Rector, St. James', Piccadilly (until 14 July 2022)
- Professor Helen Dent, (Anglican), Reader
- Mrs Mavis Jones (Wesleyan Holiness Church)
- The Revd Chris Collins (Methodist, South Worcestershire Circuit)
- The Rt Revd Sarah Bullock (Anglican) Bishop of Shrewsbury (until 14 July 2022)

Auditors

JW Hinks LLP
19 Highfield Road
Edgbaston
Birmingham B15 3BH

Bankers

Bank of Scotland
55 Temple Row
Birmingham
B2 5LS

Solicitors

Anthony Collins
134 Edmund Street
Birmingham
B3 2ES

The Queen's Foundation for Ecumenical Theological Education
Somerset Road, Edgbaston, Birmingham, B15 2QH
a company limited by guarantee, Company Registration Number 05511503
incorporating a charity administered by a Charity Commissioners Scheme
regulated by The Charity Commissioners for England and Wales
Registered Charity Number 1111892

STATEMENT OF CORPORATE GOVERNANCE

The members of the board of Governors present their report together with the financial statements of The Queen's Foundation for Ecumenical Theological Education for the year ended 31 August 2022. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a Directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with the charitable company's memorandum and articles, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS 102).

President of Governors Introduction

2021-22 was in many ways a more buoyant year than 2020-21, though remained Covid-affected. Some adjustments back towards more face-to-face teaching were possible, although lessons had also been learned about what learning experiences could usefully remain online. The disruptions caused by new Covid variants did mean that it cannot be called a 'return to normal' (old or new), and loss of income through external bookings and conference business was still felt. The staffing changes were, however, fewer and hence more stability was possible. A particular highlight was being able – on June 11th 2022 – to hold the end-of-year celebratory Foundation Event in person, for the first time in three years.

Strategic Plan. The priorities of the (three-year) Strategic Plan agreed in 2020 remain in place: development particularly in the areas of Black Theology, Distance Learning and the capacity-building work with international research students funded by the Partnership in Theological Education (PITE). Covid interrupted in particular the PITE work due to our partners in Rwanda and Sri Lanka not being able to send their student groups to us for the expected three-month stay at Queen's. It was, though, possible to offer online workshops in order to resource the two groups and the partnerships has been able to return to its envisaged structure in September 2022. There was satisfying recruitment to the Centres for Black Theology and Discipleship and Theology although the planned increases in student numbers are expected to happen more from September 2023 as a result of a major publicity initiative from January 2023.

Bursary Funding. We were successful in securing a grant of £100k from the Don and Patricia Marsh Trust in May 2022 which will be matched by Reserves and used from January 2023 to issue a number of major initiatives – focused on a web-site re-launch – to attract new students, especially lay people needing encouragement to dip their toe into the world of theological education, or students unable to secure loan-funding due to having studied a different subject earlier in life.

Partnerships with Churches. Our two key current, formal links with the Church of England and the Methodist Church remain strong and healthy. There has been a dip in student intakes through both channels coming into 22-23 due both to a lingering impact of Covid upon those testing their vocations through the churches' selection procedures and to changes in the discernment processes of the Church of England. It is expected that there will be a higher than usual intake for 2023-4. One task in the immediate future will be explore further the conversations which had begun with Pentecostal denominations about possible formal partnerships.

Research, Publications and Broadcasts (2021-22)

Despite many pressures on their time, academic staff have been active in research and in producing publications. These include:

Dr Dave Allen, 'Paul's Use of Exodus: Appealing to the Wilderness Experience,' in *The Reception of Exodus Motifs in Jewish and Christian Literature*. Edited by Beate Kowalski and Susan Docherty. Vol. 30 of *Themes in Biblical Narrative*. Leiden: Brill, 2021, pp.287-308.

Dr Andrew Hayes, *The Meanings of Discipleship: Being Disciples Then and Now*, co-edited with Stephen Cherry. London: SCM Press 2021.

Prof. Clive Marsh, 'Doing Theology with Nontheological Resources: The *Breaking Bad* Canon, Sin, and the Practice of Cultural Theology' in David K. Goodin and George Tsakiridis (eds.) *Theology and Breaking Bad*. Lanham, Maryland: Lexington Books/Fortress Academic 2022, pp.11-26.

Prof. Nicola Slee, 'Prayer, gender and the body', in Ashley Cocksworth & John C McDowell (eds.), *T & T Clark Handbook of Christian Prayer*. London: Bloomsbury, 2021, pp.649-665.

- *AbbaAmma: Improvisations on the Lord's Prayer*. Canterbury Press, 2022.

- 'Empathy and Immersion as Theological Values' in Pete Ward and Knut Tveitereid (eds.), *The Wiley Blackwell Companion to Theology and Qualitative Research*. Wiley Blackwell, 2022, pp.131-40.

Dr Rachel Starr, 'Borderline: Reading Mark 7.24–30 as a white woman', *Practical Theology*, 15:1-2, 2022, pp.10-22.

Revd Dr Carlton Turner, "Give us Healing Balm: Decolonising Theology Through African Caribbean Eyes," *Crucible: The Journal of Social Ethics*, April 2022, pp.16-23.

- "Deepening the Postcolonial Theological Gaze: Frantz Fanon and the Psychopathology of Colonial Christianity," *Modern Believing*, 62:4, August 2021, pp.340-348.
- "Politics of Change: Independence, Neo-Colonialism, and Race Politics" in *Colorism, Classism and Racism in the Caribbean Context*, eds Mikie Roberts and Nicole Ashwod, WCC Publication (2022).
- Team member for the Research Project "Living Ministry Project of the Church of England: Qualitative Research of Global Majority Heritage/UK Minority Ethnic Clergy in the CofE" (Published as "If it Wasn't for God": A Report on the Wellbeing of Global Majority Heritage Clergy in the Church of England.' London: The Archbishops' Council, October 2022).

Academic Staffing changes

Two new members of academic staff joined the team this year: Revd Dr Georgina Byrne joining the Anglican Team as a full-time staff-member in the Centre for Ministerial Formation in September 2021 and Dr Sinwoong Kim beginning a part-time role within the Centre for Research and Global Partnerships in November 2021. A new tutor for the Centre for Black Theology is currently being sought.

Administrative staff changes

Changes within the Professional Services Team included the internal move made by Katie Cooper from a Centre for Ministerial Formation administrative role to the post of Registry Manager, the shift of Nicky Tiwana from a part-time Centre for Ministerial Formation role to a full-time post in the Centre for Black Theology, and the expansion of Kate Knight's responsibilities to take on a range of central administrative tasks within the Foundation in addition to her Ministerial Formation role. We welcomed Elodie Ogoubiyi to a three-year fixed-term post of Marketing Manager in February 2022. Jonathan Bennett left his post as Business Manager in August. This led to re-adjustments in Georgina Bewley's job-role. Georgina is now Campus Manager. Kate Russon joined as Receptionist in August. Though there are still vacancies within the Professional Service Team, not least an Estates Manager to fill the element in Jonathan Bennett's which has not been reconfigured into other roles, the team is working well.



Governing Documents

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30th June 2014. It is a charity, registered with the Charities Commission under a scheme dated June 2006 and for accounting purposes is unified with the Queen's Foundation for Ecumenical Theological Education, Permanent Endowment Trust, by an Order of the Commission issued on the same date. There are currently thirteen members (Governors).

Appointment of Governors

The governance of the Foundation is the responsibility of the Governors, 4 of whom are nominated and 10 of whom are co-opted. The 4 nominated Governors are nominated respectively by the General Synod of the Church of England, the Council of the Methodist Church (2 members), and the Church of England West Midlands Bishops. Existing Governors serve terms of appointment of 3 years. New appointments and reappointments are made for a term of 3 years. In July 2020 the Governing body resolved to increase its membership from 14 to 16, increasing the number of COOPTED governors from 10 to 12 to allow the governing body to reflect the widening constituency of its students. Governors will seek to recruit to these positions during 2022-3. The remaining Governors are co-opted according to appropriate skills and experience. Lists of suitable nominees are drawn up by the Governors, or a special sub committee appointed by the Governors and approached by the President of Governors to establish their willingness to serve. All appointments are subject to a vote of approval by the Governors for the time being. The Governors serve as directors of the limited company.

Trustee Training

The Foundation arranges periodic training events for Governors.

Organisation

The Governors annually appoint one of their number to act as President of Governors. The Governors have appointed an Audit Committee (formerly the Finance and General Purposes Committee) which in addition to overseeing the Foundation's financial affairs also scrutinises, evaluates and monitors academic quality and the data that is gathered and reported on to assure this. The Committee reports to governors to support them in their responsibilities in both financial and quality matters. The Audit Committee also considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning, including acting as a nominations committee for Governor appointments. Other committees are appointed by the Governors from time to time to consider such specific matters as may be delegated by the Governors.

Key Management personnel

The day-to-day operations of the Foundation are controlled and monitored by the Leadership Team which is comprised of the Principal, the Academic Dean, the Directors of each of the five Formation and Teaching Centres, the Director of Operations and the Director of Finance. They meet very regularly to discuss current matters affecting all aspects of the Foundation.

Remuneration of academic staff

The remuneration of academic staff is based on the Lichfield scale set out by the Archbishops' Council of the Church of England and this is then subject to increments based on responsibility by individual job description. Pension contributions are made to either the church schemes to whom ordained ministers belong or to the Foundation's defined contribution scheme.

Risk Management & Internal Control

The Governors review the major risks to which the Foundation is exposed and systems have been established to manage these risks. Internal risks of control are minimised by the implementation of procedures for

authorisation and monitoring of transactions, and potential external risks to the future levels of income and the ability to deliver satisfactory tuition to students are addressed by the Leadership team and the Governors on an annual basis.

The Foundation manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee. The primary objectives of the Foundation are kept in view throughout. Financial components are contained within the register.

The major risks facing the Foundation have been identified under the following headings:

- Possibility of financial misfeasance
- Loss of key academic and admin staff – including the Principal
- Withdrawal of student placements by our major Church partners
- Lack of governors with sufficient relevant expertise to sit on Board
- Ensuring satisfactory compliance with the increasingly rigorous Government and other University monitoring processes

Additional risks caused by the global pandemic were added to this list in 2020 and continue to be monitored closely. The Director of Operations keeps watch on government advice and has been attending weekly online briefings.

All these areas are regularly reviewed by the Governors and every effort is made to ensure that the appropriate action is taken to mitigate the potential damage that these risks may give rise to.

This action includes

- a review of systems annually by the auditors and the Audit Committee of the Governors, cheque signatories scrutinising back-up paperwork and segregation of duties wherever possible.
- Regular appraisal and monitoring of recruitment by the Principal, who regularly reports to the Governors, combined with frequent admin staff meetings to identify personnel issues and maintaining satisfactory recruitment levels to ensure staff are fully engaged.
- Development of the website to ensure potential students are fully able to grasp benefits of study at the Foundation combined with active participation by key staff with Methodist Connexional Committees and reviews and processes.
- President and Principal and other governors regularly review Governor constitution and actively seek to identify potential new members of the board both locally and nationwide on an ongoing basis.
- Members of the administration team are provided with suitable staff development to ensure that they are fully aware with compliance procedures and staffing levels within the registry team are regularly reviewed to ensure that the increasing complex reporting requirements are handled well. Software systems are also regularly assessed to maintain adequate reporting and data handling processes.

Objectives and activities

Under its Articles of Association the objects of the Foundation are:

- The provision of part-time and full-time training for ordination within their respective churches for members of such Christian denominations as the governors shall from time to time determine.
- The provision of such forms of theological education and training as the governors shall from time to time determine.
- The promotion of research in theology and related subjects.

The Governors are satisfied that the objectives, as stated, meet the public interest criteria of the Charities Act 2011.

Relationships with the Churches

The fees of candidates for ordained ministry are funded wholly or in part by the Church of England and the Methodist Church. Close working relationships are maintained on a formal basis through the nomination of Governors as described in a previous section of this Report and by the attendance of officers of these Churches at Governors' meetings. Informal contacts between officers of the Churches and the staff of the Foundation are maintained on a continuing basis. The Foundation's ecumenical ethos is also exemplified in the maintenance of relationships with other churches, especially through a partnership with the Wesleyan Holiness Church, relationships with many Pentecostal churches and partnerships with a number of dioceses to provide training for Readers in the Church of England and ongoing development for Methodist probationer and Anglican curates.

Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 14 to 16 and comply with the Foundation's governing documents and applicable law. Normal activities resulted in a deficit of £236,604 before changes in investment values.

Investment values fell during the year, with the year-end valuation producing an unrealised loss on investments of £79,086 (2021: profit of £415,147). This was split between unrestricted funds £72,458 and restricted funds of £6,628. There were no sales of investments during the year.

Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted and designated reserves as seem prudent at that time to meet unavoidable future liabilities. Restricted reserves also include funding donated to the Foundation under terms which require that the resources are identified separately in the institution's accounts.

The free reserves in total amount to £2,680,952 (2021: £3,072,698). Included in this free reserves total are Designated funds amounting to £1,770,664 (including a 6 month operating expense reserve), leaving undesignated free reserves of £910,288.

It is the objective of the Governors to keep free reserves at a sum equal to 6 months unrestricted operating costs of the institution. Other reserves will be used for campus investment to be undertaken, a bursary fund (to match newly found funds) and keeps a disaster fund for emergencies. The reserves will be cautiously and purposefully managed in line with these strategic aims.

The endowment fund owns the leasehold of the campus as its principal asset and both fund and asset are reduced annually in line with depreciation of the leasehold land and buildings. The expectation is that both will be fully written down by the end of the lease in 2062.

Plans for Future Periods

The business plan is reviewed by Governors throughout the year, the financial forecasting updated and further objectives defined and added within the overall scope of a balanced budget.

Governors' Responsibilities

The Governors, who are also the directors of The Queens Foundation for Ecumenical Theological Education for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

Insofar as the Governors are aware:

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

Auditors

JW Hinks LLP were appointed auditors during the year and they will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the governors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.



Rt Revd Paul Bayes
President of Governors

17 November 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION (REGISTERED NUMBER: 05511503)

Opinion

We have audited the financial statements of The Queen's Foundation for Ecumenical Theological Education (the 'charitable company') for the year ended 31 August 2022 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 (United Kingdom Generally Accepted Accounting Practice) and the Higher Education and Research Act (HERA 2017) and the requirements of OfS.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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.
- funds from providers for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- the requirements of the OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 governors' 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 charitable 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 charitable company's members those matters we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Smith ACA (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 17 November 2022

**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st AUGUST 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total £	2021 Total £
INCOME						
Tuition Fees & Accommodation Charges	12	1,772,081	179,175	-	1,951,256	1,807,211
Investment Income	3	82,759	3,805	-	86,564	83,106
Grants and Donations	4	28,129	127,265	-	155,394	122,952
Other Income	13	3,680	30,288	-	33,968	34,347
TOTAL INCOME		1,886,649	340,533	-	2,227,182	2,047,616
EXPENDITURE						
Charitable activities Costs of Providing Education	14	2,156,065	215,548	92,173	2,463,786	2,153,524
TOTAL EXPENDITURE		2,156,065	215,548	92,173	2,463,786	2,153,524
NET INCOME/(EXPENDITURE) before gains/losses		(269,416)	124,985	(92,173)	(236,604)	(105,908)
Unrealised gains on investments	5	(72,458)	(6,628)	-	(79,086)	415,147
Realised gains on investments	5	-	-	-	-	-
NET INCOME/(EXPENDITURE) being net movement in funds		(341,874)	118,357	(92,173)	(315,690)	309,239
Reconciliation of funds:						
Funds brought forward at 1st September 2021		4,374,884	828,705	332,003	5,535,592	5,226,353
Funds carried forward at 31st August 2022	8,9,10	4,033,010	947,061	239,830	5,219,901	5,535,592

All income and expenditure derive from continuing activities.

BALANCE SHEET AS AT 31st AUGUST 2022
COMPANY NUMBER 05511503

	Note	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible Assets	2	2,011,746		2,107,773	
Investments	5	2,912,914		2,978,731	
			4,924,660		5,086,504
CURRENT ASSETS					
Debtors	6	202,519		399,122	
Short term Deposits		5,757		5,757	
Bank and Cash in hand		233,972		175,312	
		442,248		580,191	
CREDITORS					
Amounts falling due within 1 year	7	(147,007)		(131,103)	
NET CURRENT ASSETS			295,241		449,088
TOTAL ASSETS LESS CURRENT LIABILITIES			5,219,901		5,535,592
NET ASSETS			<u>5,219,901</u>		<u>5,535,592</u>
CHARITY FUNDS					
Endowment			239,830		332,003
Restricted	8		947,061		828,705
Unrestricted (inc Designated Funds)	10		4,033,010		4,374,884
TOTAL CHARITY FUNDS			<u>5,219,901</u>		<u>5,535,592</u>

The notes on pages 14 to 29 form part of these financial statements.

These financial statements were approved by the Board of Governors on 17 November 2022 and are signed on their behalf by:



Rt Revd Paul Bayes - President of Governors

The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2022

	Note	2022 £	2021 £
Net Cashflow from operating activities	20	<u>149,992</u>	<u>(48,978)</u>
Property funds			
Payments to acquire fixed assets		(164,626)	(157,381)
Payments to acquire investments		(13,269)	(12,484)
Receipts from sales of investments			
Interest received		86,564	83,106
Net cash flow from investing activities		<u>(91,331)</u>	<u>(86,759)</u>
Net increase/(decrease) in cash and cash equivalents		58,661	(135,737)
Cash and cash equivalents brought forward:		181,069	316,806
Cash and cash equivalents at year end:		<u>239,729</u>	<u>181,069</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		233,972	175,312
Short term deposits		5,757	5,757
Cash and cash equivalents:		<u>239,729</u>	<u>181,069</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST
2022

I ACCOUNTING POLICIES

a General information and basis of preparation

The Queen's Foundation For Ecumenical Theological Education is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision of theological education and training and the promotion of research in theology and related subjects.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Endowment funds represent grants, donations and legacies where the income may be used for general purposes but the capital must be retained.

c Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

d Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land & Buildings - Leasehold	Nominal £10,000 for expiration of lease 4% on cost of major extensions and building works 10% on cost of refurbishments
Heating & plant	20% of cost
Motor vehicles	25% on cost written down to a minimum of £1
Audio visual equipment	33% on written down value or subsequent cost
Mowers & garden equipment	20% - 33% on cost
Computers	33% on cost
All other furniture & equipment	20% - 33% on written down value

f Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

g Stocks

All sundry food and materials are written off in the year of purchase.

h Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i Leases

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

j Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets if required. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

k Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.



2 TANGIBLE FIXED ASSETS

Cost	Long Leasehold			Total £
	Land & Buildings £	Furniture & Equipment £	Heating & Plant £	
Balance at 1st September 2021	4,741,132	599,594	263,666	5,604,392
Additions	28,956	115,473	20,197	164,626
Disposals	-	-	-	-
Total cost at 31 August 2022	4,770,088	715,067	283,863	5,769,018
Accumulated depreciation				
Balance at 1st September 2021	2,795,068	540,284	161,265	3,496,618
Charge for the year	187,825	53,771	19,057	260,653
Disposals	-	-	-	-
Total depreciation at 31 August 2022	2,982,893	594,055	180,322	3,757,271
Net book value				
At 31st August 2022	1,787,195	121,011	103,541	2,011,746
At 31st August 2021	1,946,064	59,309	102,401	2,107,773

3 INVESTMENT INCOME

	2022 £	2021 £
Interest - Investment funds	56,300	54,246
Interest - Property funds	16,276	15,576
Interest - Fixed Interest Securities	673	753
Interest on cash deposits	46	48
Interest reinvested	13,269	12,484
	86,564	83,106

Of the above, £82,766 was unrestricted (2021: £79,403) and £3,805 was restricted (2021: £3,666).

4 GRANTS AND DONATIONS

	2022 £	2021 £
HMRC Job Retention Scheme	-	13,259
The Donald & Patricia Marsh Charitable Trust	100,000	-
Archbishops' Council	24,000	76,000
Methodist Diaconal Order	10,000	10,000
Queen's Methodist Chaplaincy Donation	8,000	8,000
St Augustine's Foundation	-	9,260
St John's College	-	3,144
Anonymous	7,408	-
St Boniface Trust (Mission)	2,786	-
Seedcorn Grant	1,750	-
United Friends of Queens	-	759
Other donations £1,000 or less	1,450	2,530
	<u>155,394</u>	<u>122,952</u>

Of the above, £28,129 was unrestricted (2021: £82,433) and £127,265 was restricted (2021: £40,519).

5 FIXED ASSET INVESTMENTS

	2022 £	2021 £
Market value brought forward	2,978,731	2,551,100
Dividends received and reinvested	13,269	12,484
Purchase of Investments	-	-
Sale of Investments	-	-
Profit on sale/redemption of investments	-	-
Net unrealised profit on revaluation	(79,086)	415,147
Closing market value	<u>2,912,914</u>	<u>2,978,731</u>
Historical cost at 31st August:	<u>1,003,229</u>	<u>1,002,444</u>

The investments comprise of a portfolio of funds managed by CCLA Investment Management Ltd.

	2022 £	2021 £
Investments at market value comprise:		
Investment fund income shares	2,503,001	2,611,199
Property funds	387,564	341,387
Fixed interest securities fund income shares	22,349	26,145
	<u>2,912,914</u>	<u>2,978,731</u>

6 DEBTORS

	2022 £	2021 £
Debtors	127,052	305,467
Other Debtors	75,467	93,655
	<u>202,519</u>	<u>399,122</u>

7 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade Creditors	85,900	61,938
Other Creditors	11,271	10,207
Tax & Social Security	20,386	18,069
Accruals & deferred income	29,450	40,888
	<u>147,007</u>	<u>131,103</u>

Included within other creditors is £9,614 (2021: £6,953 held on behalf of third parties. These funds are included within investments and bank.

8 RESTRICTED FUNDS

	Movement in Funds				
	Balance 01/09/21 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out)	Balance 31/08/22 £
Consolidated Fund	142,838	3,805	(6,628)	-	140,015
Methodist Building Grants:					
Library Extension	218,333	-	(22,118)	-	196,215
New Building Refurbishment	81,600	-	(6,800)	-	74,800
Heating overhaul	173,650	-	(24,807)	-	148,843
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,300	-	(10)	-	4,290
OFS	-	30,288	(30,288)	-	-
MEET	27,118	-	(12,005)	-	15,113
P'ship in Theological Education	114,075	179,175	(83,945)	-	209,305
HMRC JRS	-	-	-	-	-
Methodist Chaplaincy	-	8,000	(8,000)	-	-
St Augustine's Fdn	9,260	-	(9,260)	-	-
Seedcorn	-	1,750	(800)	-	950
The Donald & Patricia Marsh Charitable Trust	-	100,000	-	-	100,000
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Other	-	7,515	(7,515)	-	-
	<u>828,705</u>	<u>340,533</u>	<u>(222,176)</u>	-	<u>947,061</u>

The Consolidated Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance to secure student protection.

The Methodist Library Fund provided for the extension of the existing library to house the book collection of the Selly Oak Centre for Mission Studies.

The New Building grant represents part cost of the refurbishment of living accommodation for international mission students.

The Mission Centre Fund comprises a share of the funds released by the winding up of the Selly Oak Colleges Endowment Fund and are available for appropriate projects.

The Principal's Discretionary Fund consists of a deposit and bank accounts set aside to support the living costs of needy students.

	COMPARATIVE FOR RESTRICTED FUNDS		Movement in Funds		Balance 31/08/21 £
	Balance 01/09/20 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out)	
Consolidated Fund	140,221	3,666	21,438	(22,487)	142,838
Methodist Building Grants:					
Library Extension	240,451	-	(22,118)	-	218,333
New Building Refurbishment	88,400	-	(6,800)	-	81,600
Heating overhaul	198,457	-	(24,807)	-	173,650
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,594	6	(300)	-	4,300
OFS	-	31,660	(31,660)	-	-
MEET	27,368	-	(250)	-	27,118
P'ship in Theological Education	40,237	132,575	(58,737)	-	114,075
HMRC JRS	-	13,259	(13,259)	-	-
Methodist Chaplaincy	-	8,000	(8,000)	-	-
St Augustine's Fdn	-	9,260	-	-	9,260
Methodist Diaconal Order	-	10,000	(10,000)	-	-
	<u>797,258</u>	<u>208,426</u>	<u>(154,493)</u>	<u>(22,487)</u>	<u>828,705</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 31 AUG 2022

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,352,058	419,858	239,830	2,011,746
Investments	2,772,899	140,015	-	2,912,914
Current Assets	55,060	387,188	-	442,248
Creditors - Within one year	(147,007)	-	-	(147,007)
	<u>4,033,010</u>	<u>947,061</u>	<u>239,830</u>	<u>5,219,901</u>

NOTE : The Endowment Fund includes grants repayable on the dissolution of the College to :

The Central Board of Finance of the Church of England	129,230
The Trustees for Methodist Church Purposes	110,600
	<u>239,830</u>

The Restricted Fund includes grants repayable on the dissolution of the College to :

The Trustees for Methodist Church Purposes	497,450
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COMPARATIVE FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS 2020-2021

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,302,187	473,583	332,003	2,107,773
Investments	2,835,893	142,838	-	2,978,731
Current Assets	367,908	212,283	-	580,191
Creditors - Within one year	(131,103)	-	-	(131,103)
- After one year	-	-	-	-
	4,374,885	828,705	332,003	5,535,592

10 UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/21 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/22 £
AD 2062 Stephen Lloyd Fund	670,897	13,269	-	-	-	684,166
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	1,000,000	-	-	-	-	1,000,000
	1,757,395	13,269	-	-	-	1,770,664

The AD2062 Stephen Lloyd Fund was set up to provide resources for the renewal of the lease in 2062.

The Operating Expense Reserve was created following the Governors review of reserves policy in 2020/21 to set aside reserves to cover approx 6 months operating expenses in line with recommended practise.

The Research Fund was set up when the assets of the Research Fellowship Trust were transferred to the Foundation and is created to support the objectives of research and research fellowships.

Unrestricted Funds

	Balance 01/09/21 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/22 £
Designated funds	1,757,395	13,269	-	-	-	1,770,664
Unrestricted funds	2,617,489	1,873,380	(2,156,065)	(72,458)	-	2,262,346
	4,374,884	1,886,649	(2,156,065)	(72,458)	-	4,033,010

Comparatives for Designated Funds

	Balance 01/09/20 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/21 £
AD 2062 Stephen Lloyd Fund	658,413	12,484	-	-	-	670,897
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	-	-	-	-	1,000,000	1,000,000
Church Workers' Pension Fund Liability	195,531	-	-	-	(195,531)	-
	940,442	12,484	-	-	804,469	1,757,395

Comparatives for Unrestricted Funds

	Balance 01/09/20 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/21 £
Designated funds	940,442	12,484	-	-	804,469	1,757,395
Unrestricted funds	3,064,384	1,826,706	(1,885,328)	393,709	(781,982)	2,617,489
	4,004,826	1,839,190	(1,885,328)	393,709	22,487	4,374,884

11 A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Movement in Funds				
	Balance 01/09/20 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out) £	Balance 31/08/22 £
Consolidated Fund	140,221	7,471	14,810	(22,487)	140,015
Methodist Building Grants:					
- Library Extension	240,451	-	(44,236)	-	196,215
- New Building Refurbishment	88,400	-	(13,600)	-	74,800
- Heating overhaul	198,457	-	(49,614)	-	148,843
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,594	6	(310)	-	4,290
OFS	-	61,948	(61,948)	-	-
MEET	27,368	-	(12,255)	-	15,113
Partnership in Theological Education	40,237	311,750	(142,682)	-	209,305
HMRC JRS	-	13,259	(13,259)	-	-
Methodist Chaplaincy Donation	-	16,000	(16,000)	-	-
St Augustine's Foundation	-	9,260	(9,260)	-	-
Seedcorn	-	1,750	(800)	-	950
The Donald & Patricia Marsh Charitable Trust	-	100,000	-	-	100,000
Methodist Diaconal Order	-	20,000	(20,000)	-	-
	797,258	541,444	(369,154)	(22,487)	947,061



UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/20 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/22 £
AD 2062 Stephen Lloyd Fund	658,413	25,753	-	-	-	684,166
Research Fund	86,498	-	-	-	-	86,498
Six months operating expenses	-	-	-	-	1,000,000	1,000,000
Church Workers' Pension Fund Liability	195,531	-	-	-	(195,531)	-
	<u>940,442</u>	<u>25,753</u>	<u>-</u>	<u>-</u>	<u>804,469</u>	<u>1,770,664</u>

Unrestricted Funds

	Balance 01/09/20 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/22 £
Designated funds	940,442	25,753	-	-	804,469	1,770,664
Unrestricted Funds	3,064,384	3,700,087	(4,041,393)	321,251	(781,982)	2,262,346
	<u>4,004,826</u>	<u>3,725,840</u>	<u>(4,041,393)</u>	<u>321,251</u>	<u>22,487</u>	<u>4,033,010</u>

12 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Student Fees		
Centre for Ministerial Formation	841,517	910,573
Centre for Black Theology	76,803	57,997
Centre for Discipleship Theology	98,670	110,165
Centre for Continuing Ministerial Education	69,220	52,413
Partnership in Theological Education	179,175	132,575
Research	82,432	35,033
	<u>1,347,817</u>	<u>1,298,756</u>
Accommodation Charges		
Accommodation	485,459	482,950
External Rents in	19,139	24,703
Conferences, guests etc.	98,841	801
	<u>603,439</u>	<u>508,455</u>
Total Fees & Accommodation Charges	<u>1,951,256</u>	<u>1,807,211</u>

13 OTHER INCOME	2022	2021
	£	£
OFS Income	30,288	31,660
Sundry Income		
Teaching & Learning		350
Campus Sundry Income	3,680	2,337
	<u>33,968</u>	<u>34,347</u>
14 ANALYSIS OF CHARITABLE EXPENDITURE	2022	2021
	£	£
Academic & Library Costs	1,103,768	1,046,339
Disabled Student Expenditure (Reimbursed)	4,145	13,691
Administrative Costs (excluding Governance)	454,898	410,099
Catering Costs	197,357	100,091
Domestic Costs	67,875	43,969
Premises Costs	611,605	517,677
Governance Costs	24,139	21,657
	<u>2,463,786</u>	<u>2,153,524</u>
15 GOVERNANCE COSTS	2022	2021
	£	£
Salaries - operational staff	17,539	15,217
Audit fee	6,600	6,440
Auditors non audit fees		
	<u>24,139</u>	<u>21,657</u>
16 STAFF EMOLUMENTS	2022	2021
	£	£
Salary Costs	990,831	933,597
National Insurance	74,917	70,902
Pension Costs	119,966	109,292
	<u>1,185,714</u>	<u>1,113,792</u>

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2022 FTE	2022 Number	2021 FTE	2021 Number
Academic and Library	20.2	24.1	17.7	24.8
Administrative and Others	9.1	13.0	8.7	12.8
	<u>29.3</u>	<u>37.1</u>	<u>26.4</u>	<u>37.6</u>

The total amount of employee benefits received by key management personnel is £199,535 (2021: £178,912).

	2022	2021
Number of staff receiving basic salary per annum between £100,000 - £104,999	-	-

PRINCIPAL'S SALARY

All figures below are for the Principal, Clive Marsh.

The head of the Foundation is the highest paid member of staff and receives the following amount, as set by the "Lichfield Scale" national Academic Staff and Benefit Scale:

	2022 £	2021 £
Basic Salary	32,304	32,196
Payments in lieu of pension contributions	-	-
Dividends	-	-
Performance Related Pay	-	-
Pension Contributions	4,505	4,468
Salary Sacrifice Arrangements	-	-
Compensation for loss of Office	-	-
Any other pension scheme costs	-	-
Other taxable benefits:		
Book Allowance	776	768
Travel Allowance	2,043	2,043
Governors' Discretionary Payment	7,500	7,500
Responsibility Point Payment (based on the number of staff in addition to the Principal)	3,167	3,167
Other non-taxable benefits:		
On-site Accommodation	9,427	9,427
Other remuneration:		
Eg sabbatical payments	-	-

The total remuneration package for the Principal is in line with that offered to all principals of Anglican Training institutions and in line with national pay scales for Anglican clergy.

The head of the providers basic salary is 1.1 times (2021: 1.2x) the median pay of all staff, where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The head of the providers total remuneration is 1.6 times (2021: 1.9x) the median total remuneration of staff where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The total amount paid across the provider for 2021-22 for loss of office is £8,000 (2021: £nil). The number of people for whom this is applied is: 1 (2021: 0).

17 AUDITORS REMUNERATION

	2022	2021
	£	£
The auditors remuneration is comprised of: -		
Audit Fees	6,600	6,440
Other Services	-	-
	<u>6,600</u>	<u>6,440</u>

18 TRUSTEES REMUNERATION

Trustees received £298 for the reimbursement of travelling expenses during the year (2021: £nil)

No trustee received any remuneration during the year (2021: £nil).

19 FINANCIAL COMMITMENTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than one year	12,602	12,844
Later than one and not later than five years	29,366	4,212
Later than five years	-	-

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income/(expenditure) for the year	(315,690)	309,239
Interest receivable	(86,564)	(83,106)
Depreciation and impairment of tangible fixed assets	260,653	280,798
(Gains) on investments	79,086	(415,147)
(Increase) / decrease in debtors	196,603	(80,998)
Increase / (decrease) in creditors	15,904	(59,765)
Net cash flow from operating activities	<u>149,992</u>	<u>(48,978)</u>

21 PENSION COSTS

The Foundation contributes to non-contributory defined benefit schemes operated by the Church of England for ordained clergy (CEFPS) and non ordained employees (CWPF). Where appropriate the Foundation also contributes to the Methodist Ministers Pension Fund (MMPF), which is also a defined benefit scheme. For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Aviva.

During the year the Foundation's contributions were:

	2022	2021
	£	£
CEFPS	43,819	29,472
CWPF	12,958	21,019
MMPF	-	-
Aviva	63,188	57,650
	<u>119,965</u>	<u>108,141</u>

All three of the defined benefit schemes in place are accounted for as defined contribution schemes because sufficient information is not available to use defined benefit accounting.

CEFPS

The Foundation 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 pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2021/22: £43 819, 2020/21: £29,472).

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

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the 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	January 2018 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.

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

At the latest valuation on 31 December 2021, contributions were changed to a rate equivalent to 28% of stipends.

CWPF

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

CWPF has two sections:

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

Pension Builder Scheme:

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

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

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2022: £12,958, 2020: £21,019).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

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

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

MMPF

Queen's staff who were members of the MMPF scheme were transferred out of Queen's payroll in the year ending 31 Aug 2020 and so no payments are made into the MMPF this year or are expected in future years.

22 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Each member liability is limited to a maximum of £1.

As at 31st August 2022 there were 6 members of the charitable company (2021: 9)

23 RELATED PARTY TRANSACTIONS

There were no related party transactions for the year ended 31 August 2022.

24 POST BALANCE SHEET EVENTS

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Charity being able to continue to operate if further Covid style events take place. At the present time there are still many unknown variables which makes forecasting the future results and impact on the Charity challenging. The trustees recognise that the current situation is uncertain but they have considered the position of the Charity both at present and for the next 12 months given the current information available.

The Charity has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

We are in regular communication with our stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts. We have implemented plans to reduce costs where necessary and maximise appropriate income opportunities.

25 OFS DETAILS OF GRANT AND FEE INCOME

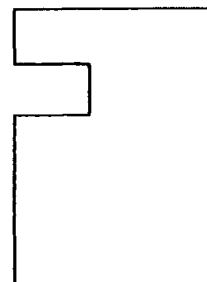
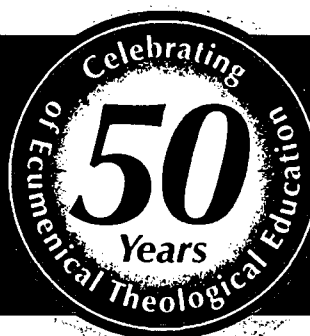
	Year ended 31 Aug 2022	Year ended 31 Aug 2021
	£,000	£,000
Grant income from the Ofs	30	32
Grant income from other bodies	2	-
Fee income for taught awards	1,022	1,100
Fee income for research awards	82	107
Fee income for non-qualifying courses	244	92
Total grant and fee income	1,380	1,331

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

England & Wales - Charity number 1111892

Accounts

**The Queen's
Foundation**
1970-2020



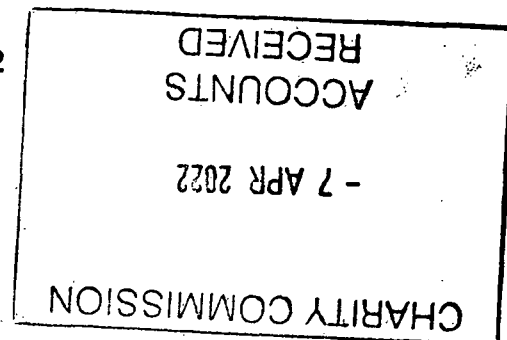
**THE QUEEN'S FOUNDATION
FOR ECUMENICAL THEOLOGICAL EDUCATION**

**AMENDED ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

(A Company limited by guarantee not having a share capital)

Company Registration No 05511503

Charity Registration No 1111892



AMENDED ACCOUNTS

These accounts have been prepared as they were at the date of the original accounts, replace the original accounts and are now the statutory accounts.

The following amendments have been made:

- Amended wording in audit report for OfS – no changes to the audit opinion
- Note 16 staff emoluments amended for Principal's Salary

There has been no change in the financial position of the Company as a consequence of these amendments.

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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Governors 2020-21

Co-opted Governors

- The Revd Kenneth Howcroft, President of the Governing Body (Methodist). Former President of the Methodist Conference
- The Rt Rev Paul Bayes, (Anglican) Bishop of Liverpool. Vice President of the Governing Body.
- The Revd Claire Maxim (Anglican), CEO Arthur Rank Centre
- Dr Paul Stewart, Head of Training, Church of God of Prophecy
- The Revd Lucy Winkett (Anglican), Rector, St. James', Piccadilly
- Professor Helen Dent, (Anglican), Reader
- Mrs Mavis Jones (Wesleyan Holiness Church)
- The Revd Chris Collins (Methodist, South Worcestershire Circuit)
- The Rt Revd Sarah Bullock (Anglican) Bishop of Shrewsbury

Nominated Governors

- The Ven. Simon Heathfield (Anglican), Archdeacon of Aston (West Midlands Bishops' nominee)
- Dr Rachel Jepson (Anglican), General Synod Representative, Birmingham Diocese.
- Professor Ken Mortimer (Methodist, nominated by the Methodist Council)
- The Revd Helen Kirk (Methodist), Chair of Chester and Stoke-on-Trent District (nominated by the Methodist Council)

Auditors

JW Hinks LLP
19 Highfield Road
Edgbaston
Birmingham B15 3BH

Bankers

Bank of Scotland
55 Temple Row
Birmingham
B2 5LS

Solicitors

Anthony Collins
134 Edmund Street
Birmingham
B3 2ES

The Queen's Foundation for Ecumenical Theological Education
Somerset Road, Edgbaston, Birmingham, B15 2QH
a company limited by guarantee, Company Registration Number 05511503
incorporating a charity administered by a Charity Commissioners Scheme
regulated by The Charity Commissioners for England and Wales
Registered Charity Number 1111892

GOVERNORS' REPORT

The members of the board of Governors present their report together with the financial statements of The Queen's Foundation for Ecumenical Theological Education for the year ended 31 August 2021. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a Directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charitable company's memorandum and articles, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS 102).

President of Governors Introduction

Covid-19. This proved to be a positive and successful year in spite of the continuing challenges posed by the global pandemic throughout the year. Though the lockdowns, fluctuating Government advice, and practical challenges for staff and students had to be negotiated, the Queen's Community as a whole worked extremely well together to continue being an international community of learners despite the difficulties. In many ways the most demanding work had already been done between March and July as this proved preparatory for that became a year almost wholly online as far as teaching provision was concerned. The fact that a full programme of learning was delivered at all was a monumental achievement. Staff changes (including the arrival of a new Principal, Prof. Clive Marsh), and the demands of trying to induct new staff within and between lockdowns, added extra pressures. Even so, the community managed all of this and is to be congratulated for doing so.

The loss of conference income and external bookings was keenly felt during 2020-21, and very limited use of the furlough scheme was possible.

Distance Learning. As reported last year, the Foundation had agreed to take over the Distance Learning formerly provided by St John's College, Nottingham. The challenges of taking on a large group of students proved to be more considerable than expected. A formal, institutional transfer of around 20 staff (mostly associate tutors) and 100 students on 1st August 2020 had been hoped for. In the end, 53 students and a number of associate tutors (though no contracted staff) chose individually to transfer to Queen's. We are grateful for some emergency funding from the Archbishops' Council of the Church of England (£76k in 20-21, with £24k to come in 21-22) which has made the transfer more manageable, though are conscious that we as a Foundation have needed to supplement this amount considerably both through the allocation of staff-time to manage the transfer, and by adding our own funds to the Archbishops' Council grant to consolidate the staffing of the Distance Learning work at Queen's in the longer-term.

'The Next 50'. Whilst almost all 50th Anniversary events planned for 2020 had to be cancelled or postponed due to Covid-19, the Governors have supported a plan to undertake a major fund-raising venture in the next two years, to find and release resources for 'Bursaries and Buildings'. This initiative recognises that one of the main obstacles to consolidation of existing work, and the development of new programmes, is the difficulty some students have in securing sufficient funding for studies which they desire, and are qualified, to undertake. Part-bursaries for fees, and potential partnerships with financially-supporting churches, could offset some of these difficulties. In addition, some major work is needed on Queen's buildings which goes beyond basic maintenance and minimal upgrade. Whether or not the decision will be taken to seek to extend the lease for the main campus (by 2062) the 35-40 years' life and use of the existing buildings merit careful attention. The Governors have agreed to match from reserves whatever figure from £400k-500k can be raised for these two purposes within the next five years, thus producing a development fund of up to £1m in total. This coheres with the change in Reserves Policy agreed in principle in 2020, and confirmed in 2021.

Strategic Plan. The priorities of the new Strategic Plan remain in place: development in the areas of Black Theology, Research, Distance Learning and the work with Global Students funded by the Partnership in Theological Education (PITE). One particular recent emphasis has been to work out how the interplay between

the (now) five Centres which make up the Foundation takes effect i.e. how Black Theology, Continuing Ministerial Development, Discipleship, Ministerial Formation, and Research and International work all inter-relate, and inform and challenge each other.

Research, Publications and Broadcasts (2020-21)

Academic staff have been active in research and in producing publications and, in one case, a radio programme. These include:

Dr Dave Allen, 'Mark's Story - Little Ones at the Centre?' *Expository Times* 132 (2021), 302-09; 'Continuity and Discontinuity: The Relationship between the Two Testaments.' *Bible in Transmission* Spr 21 (2021), 14-17.

Prof. Robert Beckford, *My Theology: Duppy Conqueror*. London: DLT, 2021; "Handsworth Revolution: Reggae Theomusicology, Gospel Borderlands and Delinking Black British Contemporary Gospel Music from Colonial Christianity." in William Henry and Matthew Worley (eds.), *Narratives from Beyond the Reggae Baseline: The System is the Sound*. (London: Palgrave 2021), 289-314. 'Black Jesus.' (Radio Documentary) BBC World Service (25 mins) 2020.

Revd Dr Jane Craske, *Doing Theology in the Tradition of the Wesleys* (Cambridge: Grove Books 2020).

Revd Mark Earey, *How to Present Words for Worship in Print and on Screen* (Cambridge: Grove Books 2021).

Prof. Clive Marsh, *What is Salvation For?: Exploring the Human Experience of God's Saving Work* (Cambridge: Grove Books 2021).

Revd. Dr Judith Rossall, "'Obscure and Senseless"? - Another Look at When Cajetan Met Luther', *Lutheran Forum*, 54.4 (2020), 21-27; 'Whose Honour, Whose Shame?', *Anvil: Journal of Theology and Mission*, 37.2 (2021), 25-29.

Prof. Nicola Slee, *Fragments for Fractured Times: What Feminist Practical Theology Brings to the Table* (SCM 2020); co-edited with Andrew Rogers, *Celebrating the Past, Present and Future of British and Irish Practical Theology: Roots, Shoots and Fruits* (Routledge 2021); 'Witnessing to what remains, or the power of persisting: Power, authority and love in the interim spaces', in Kerrie Handasyde, Cathryn McKinney & Rebekah Pryor (eds.) *Contemporary Feminist Theologies: Power, Authority, Love*, (Routledge 2021), 21-32; 'The Crucified Christa: A Re-Evaluation' in in Jayme Reaves, David Tombs and Rocio Figueroa (eds.) *When Did We See You Naked? Acknowledging Jesus as a Victim of Sexual Abuse*, (SCM Press 2021), 210-29.

Jen Smith, 'A pedagogy of resistance and Scouse other-ness', *Practical Theology* 14 (2021), 351-363.

Dr Rachel Starr, "'Not pictured": What Veronica Mars Can Teach Us about the Crucifixion' in Jayme Reaves, David Tombs and Rocio Figueroa (eds.) *When Did We See You Naked? Acknowledging Jesus as a Victim of Sexual Abuse*, (SCM Press 2021), 165-177.

Revd Dr Carlton Turner, *Overcoming Self-Negation: Junkanoo and the Church in Contemporary Bahamian Society* (Wipf and Stock, 2020); "Deepening the Postcolonial Theological Gaze: Frantz Fanon and the Psychopathology of Colonial Christianity," *Modern Believing*, 62 (2021), 340-348; "Legacies and Chains: Structuring Shame in the African Caribbean," *ANVIL* 37 (2021), 15-20; "Conceal to Reveal: Reflections on Sexual Violence and Theological Discourses in the African Caribbean." in Jayme Reaves, David Tombs and Rocio Figueroa (eds.) *When Did We See You Naked? Acknowledging Jesus as a Victim of Sexual Abuse*, (SCM Press 2021), 149-164; "Could You Be Loved? BAME Presence and the Witness of Diversity and Inclusion" in *Bearing Witness in Hope: Christian Engagement in Challenging Times*, eds, Cathy Ross and

Humphrey Southern (SCM Press 2020), 89-105; "Legacies and Chains: Learning and Living in the Shadows of Empire", USPG Archives: Global Voices, <http://emlo-portal.bodleian.ox.ac.uk/exhibition/uspg/global-voices>.

Academic Staffing changes

Deacon Eunice Attwood left Queen's to begin a new role as the Connexional Church at the Margins Officer for the Methodist Church on 1st December 2020. Rev Dr Andrea Russell began as Director of Ministry with Oxford Diocese on 1st January 2021. Dr Andrew Hayes moved from a post within the Anglican team at Queen's to becoming the Centre Director for the Centre for Discipleship and Theology (as from Feb 1st 2021). In addition to the arrival of a new Principal, Revd Dr Barbara Glasson began a part-time appointment in Pastoral Theology in the Methodist Team on 1st Sept 2020, Deacon Julie Hudson joined the staff as Methodist Tutor (Diaconal Formation) and Safeguarding & Wellbeing Officer in December 2020, Revd Dr Allison Fenton joined the Anglican Team as Admissions Officer and Jen Smith joined the staff as E-Learning Development Tutor, both in January 2021.

Administrative staff changes

Katherine Onion, Director of Operations and Academic Registrar, left Queen's in October 2020, to take up a role with Juno Women's Aid as head of Finance and Business Support, and Rosie Evans completed a year as a data officer in December 2020. David Baines joined the staff in November 2020 as Database manager, and then a range of staff began in January 2021: Davinder Webster as Director of Operations, Ian Bush as (part-time) Director of Finance, Gill Masters to a dual role in the Registry and as Administrator for the Centre for Discipleship and Theology and Kayle Patton as Receptionist. Kate Knight came onto the staff as an Administrator in the Centre for Ministerial Formation in August 2021.

Governing Documents

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30th June 2014. It is a charity, registered with the Charities Commission under a scheme dated June 2006 and for accounting purposes is unified with the Queen's Foundation for Ecumenical Theological Education, Permanent Endowment Trust, by an Order of the Commission issued on the same date. There are currently thirteen members (Governors).

Appointment of Governors

The governance of the Foundation is the responsibility of the Governors, 4 of whom are nominated and 10 of whom are co-opted. The 4 nominated Governors are nominated respectively by the General Synod of the Church of England, the Council of the Methodist Church (2 members), and the Church of England West Midlands Bishops. Existing Governors serve terms of appointment of 3 years. New appointments and reappointments are made for a term of 3 years. In July 2020 the Governing body resolved to increase its membership from 14 to 16, increasing the number of COOPTED governors from 10 to 12 to allow the governing body to reflect the widening constituency of its students. Governors will seek to recruit to these positions during 2020-21. The remaining Governors are co-opted according to appropriate skills and experience. Lists of suitable nominees are drawn up by the Governors, or a special sub committee appointed by the Governors and approached by the President of Governors to establish their willingness to serve. All appointments are subject to a vote of approval by the Governors for the time being. The Governors serve as directors of the limited company.

Trustee Training

The Foundation arranges periodic training events for Governors.

Organisation

The Governors annually appoint one of their number to act as President of Governors. The Governors have appointed an Audit Committee (formerly the Finance and General Purposes Committee) which in addition to



overseeing the Foundation's financial affairs also scrutinises, evaluates and monitors academic quality and the data that is gathered and reported on to assure this. The Committee reports to governors to support them in their responsibilities in both financial and quality matters. The Audit Committee also considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning, including acting as a nominations committee for Governor appointments. Other committees are appointed by the Governors from time to time to consider such specific matters as may be delegated by the Governors.

Key Management personnel

The day-to-day operations of the Foundation are controlled and monitored by the Leadership Team which is comprised of the Principal, the Academic Dean, the Directors of each of the five Formation and Teaching Centres, the Director of Operations and the Director of Finance. They meet very regularly to discuss current matters affecting all aspects of the Foundation.

Remuneration of academic staff

The remuneration of academic staff is based on the Lichfield scale set out by the Archbishops Council of the Church of England and this is then subject to increments based on responsibility by individual job description. Pension contributions are made to either the church schemes to whom ordained ministers belong or to the Foundation's defined contribution scheme.

Risk Management

The Governors review the major risks to which the Foundation is exposed and systems have been established to manage these risks. Internal risks of control are minimised by the implementation of procedures for authorisation and monitoring of transactions, and potential external risks to the future levels of income and the ability to deliver satisfactory tuition to students are addressed by the Leadership team and the Governors on an annual basis.

The major risks facing the Foundation have been identified under the following headings:

- Possibility of financial misfeasance
- Loss of key academic and admin staff – including the Principal
- Withdrawal of student placements by our major Church partners
- Lack of governors with sufficient relevant expertise to sit on Board
- Ensuring satisfactory compliance with the increasingly rigorous Government and other University monitoring processes

Additional risks caused by the global pandemic were added to this list in 2020 and continue to be monitored closely. The Director of Operations keeps watch on government advice and has been attending weekly online briefings.

All these areas are regularly reviewed by the Governors and every effort is made to ensure that the appropriate action is taken to mitigate the potential damage that these risks may give rise to.

This action includes

- a review of systems annually by the auditors and the Audit Committee of the Governors, cheque signatories scrutinising back-up paperwork and segregation of duties wherever possible.
- Regular appraisal and monitoring of recruitment by the Principal, who regularly reports to the Governors, combined with frequent admin staff meetings to identify personnel issues and maintaining satisfactory recruitment levels to ensure staff are fully engaged.
- Development of the website to ensure potential students are fully able to grasp benefits of study at the Foundation combined with active participation by key staff with Methodist Connexional Committees and reviews and processes.
- President and Principal and other governors regularly review Governor constitution and actively seek to identify potential new members of the board both locally and nationwide on an ongoing basis.

- Members of the administration team are provided with suitable staff development to ensure that they are fully aware with compliance procedures and staffing levels within the registry team are regularly reviewed to ensure that the increasing complex reporting requirements are handled well. Software systems are also regularly assessed to maintain adequate reporting and data handling processes.

Objectives and activities

Under its Articles of Association the objects of the Foundation are:

- The provision of part-time and full-time training for ordination within their respective churches for members of such Christian denominations as the governors shall from time to time determine.
- The provision of such forms of theological education and training as the governors shall from time to time determine.
- The promotion of research in theology and related subjects.

The Governors are satisfied that the objectives, as stated, meet the public interest criteria of the Charities Act 2011.

Statement of Internal Control

The Foundation manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee. The primary objectives of the Foundation are kept in view throughout. Financial components are contained within the register. Significant staff change (of Principal) and the departure of the Academic Registrar and Director of Operations (one person) has not led to disruption in financial oversight due to continuity in the management accountant staffing and in the auditing processes, plus the arrival of a part-time Director of Finance within the Foundation team.

Relationships with the Churches

The fees of candidates for ordained ministry are funded wholly or in part by the Church of England and the Methodist Church. Close working relationships are maintained on a formal basis through the nomination of Governors as described in a previous section of this Report and by the attendance of officers of these Churches at Governors' meetings. Informal contacts between officers of the Churches and the staff of the Foundation are maintained on a continuing basis. The Foundation's ecumenical ethos is also exemplified in the maintenance of relationships with other churches, especially through a partnership with the Wesleyan Holiness Church, relationships with many Pentecostal churches and partnerships with a number of dioceses to provide training for Readers in the Church of England and ongoing development for Methodist probationer and Anglican curates.

Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 15 to 17 and comply with the Foundation's governing documents and applicable law. Normal activities resulted in a deficit of £105,908 before changes in investment values.

Investment values rose due to reasonable investment performance and the year-end valuation produced an unrealised profit on investments £415,147 (2020: £56,566) this was split between unrestricted funds £393,709 and restricted funds, £21,438 There were no sales of investments during the year.

Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted and designated reserves as seem prudent at that time to meet unavoidable future liabilities. Restricted reserves also include funding donated to the Foundation under terms which require that the resources are identified separately in the institution's accounts.

The free reserves in total amount to £3,072,698 (2020: £2,782,528). Included in this free reserves total are Designated funds amounting to £1,757,395 (including a 6 month operating expense reserve), leaving undesignated free reserves of £1,315,303.

It had been the objective of the Governors to keep free reserves at a sum equal to 12 months unrestricted operating costs of the institution. This policy was reviewed by Governors in July 2020 and a proposal to amend this was agreed upon. A lower figure, more in keeping with the recommendations of the Charities Commission, and amounting to about half of the figure needed for a full year of expenditure enables a 3-year plan for preventative maintenance of required campus investment to be undertaken, potentially releases funds for the development of a bursary fund (to match newly found funds) and keeps a disaster fund for emergencies. The reserves will be cautiously and purposefully reduced in line with these strategic aims.

The endowment fund owns the leasehold of the campus as its principal asset and both fund and asset are reduced annually in line with depreciation of the leasehold land and buildings. The expectation is that both will be fully written down by the end of the lease in 2062.

Plans for Future Periods

The business plan is reviewed by Governors throughout the year, the financial forecasting updated and further objectives defined and added within the overall scope of a balanced budget.

Governors' Responsibilities

The Governors, who are also the directors of The Queens Foundation for Ecumenical Theological Education for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

Insofar as the Governors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and



- as the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

Auditors

JW Hinks LLP were appointed auditors during the year and they will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the governors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

A handwritten signature in black ink, appearing to read 'Kenneth G. Howcroft', written in a cursive style.

Revd Kenneth Howcroft
President of Governors
18.11.21

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION (REGISTERED NUMBER: 05511503)

Opinion

We have audited the financial statements of The Queen's Foundation for Ecumenical Theological Education (the 'charitable company') for the year ended 31 August 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 (United Kingdom Generally Accepted Accounting Practice) and the Higher Education and Research Act (HERA 2017) and the requirements of OfS.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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.
- funds from providers for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- the requirements of the OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 governors' 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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 charitable 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.



- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

P. Smith

Peter Smith ACA (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 18/11/2021



**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st AUGUST 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £	2020 Total £
INCOME						
Tuition Fees & Accommodation Charges	12	1,674,636	132,575	-	1,807,211	2,131,833
Investment Income	3	79,440	3,666	-	83,106	82,389
Grants and Donations	4	82,433	40,519	-	122,952	48,273
Other Income	13	2,681	31,666	-	34,347	86,076
TOTAL INCOME		1,839,190	208,426	-	2,047,616	2,348,571
EXPENDITURE						
Charitable activities Costs of Providing Education	14	1,885,328	175,930	92,266	2,153,524	2,290,175
TOTAL EXPENDITURE		1,885,328	175,930	92,266	2,153,524	2,290,175
NET INCOME/(EXPENDITURE) before gains/losses		(46,138)	32,496	(92,266)	(105,908)	58,396
Unrealised gains on investments	5	393,709	21,438	-	415,147	56,566
Realised gains on investments	5	-	-	-	-	-
NET INCOME/(EXPENDITURE) being net movement in funds		347,571	53,934	(92,266)	309,239	114,962
TRANSFERS BETWEEN FUNDS	8	22,487	(22,487)	-	-	-
Reconciliation of funds:						
Funds brought forward at 1st September 2020		4,004,826	797,258	424,269	5,226,353	5,111,391
Funds carried forward at 31st August 2021	8,9,10	4,374,884	828,705	332,003	5,535,592	5,226,353

All income and expenditure derive from continuing activities.



BALANCE SHEET AS AT 31st AUGUST 2021
COMPANY NUMBER 05511503

	Note	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible Assets	2	2,107,773		2,231,191	
Investments	5	2,978,731		2,551,100	
			5,086,504		4,782,291
CURRENT ASSETS					
Debtors	6	399,122		318,124	
Short term Deposits		5,757		5,757	
Bank and Cash in hand		175,312		311,049	
		580,191		634,930	
CREDITORS					
Amounts falling due within 1 year	7	(131,103)		(190,868)	
NET CURRENT ASSETS			449,088		444,062
TOTAL ASSETS LESS CURRENT LIABILITIES			5,535,592		5,226,353
NET ASSETS			5,535,592		5,226,353
CHARITY FUNDS					
Endowment			332,003		424,269
Restricted	8		828,705		797,258
Unrestricted (inc Designated Funds)	10		4,374,884		4,004,826
TOTAL CHARITY FUNDS			5,535,592		5,226,353

The notes on pages 14 to 31 form part of these financial statements.

These financial statements were approved by the Board of Governors on 18/11/2021 and are signed on their behalf by:

Kenneth G Howcroft

Revd Kenneth Howcroft - President of Governors

The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2021

	Note	2021 £	2020 £
Net Cashflow from operating activities	20	<u>(48,978)</u>	<u>(46,238)</u>
Property funds			
Payments to acquire fixed assets		(157,381)	(25,209)
Payments to acquire investments		(12,484)	(11,702)
Receipts from sales of investments		-	-
Interest received		83,106	82,389
Net cash flow from investing activities		<u>(86,759)</u>	<u>45,478</u>
Net increase/(decrease) in cash and cash equivalents		(135,737)	(760)
Cash and cash equivalents brought forward:		316,806	317,566
Cash and cash equivalents at year end:		<u>181,069</u>	<u>316,806</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		175,312	311,049
Short term deposits		5,757	5,757
Cash and cash equivalents:		<u>181,069</u>	<u>316,806</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST
2021

I ACCOUNTING POLICIES

a General information and basis of preparation

The Queen's Foundation For Ecumenical Theological Education is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision of theological education and training and the promotion of research in theology and related subjects.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Endowment funds represent grants, donations and legacies where the income may be used for general purposes but the capital must be retained.

c Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.



For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

d Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land & Buildings - Leasehold	Nominal £10,000 for expiration of lease 4% on cost of major extensions and building works 10% on cost of refurbishments
Heating & plant	20% of cost
Motor vehicles	25% on cost written down to a minimum of £1
Audio visual equipment	33% on written down value or subsequent cost
Mowers & garden equipment	20% - 33% on cost
Computers	33% on cost
All other furniture & equipment	20% - 33% on written down value



f Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

g Stocks

All sundry food and materials are written off in the year of purchase.

h Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i Leases

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

j Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets if required. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

k Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.



2 TANGIBLE FIXED ASSETS

Cost	Long Leasehold			Total £
	Land & Buildings £	Furniture & Equipment £	Heating & Plant £	
Balance at 1st September 2020	4,709,915	557,062	180,646	5,447,623
Additions	31,217	43,144	83,020	157,381
Disposals	-	(612)	-	(612)
Total cost at 31 August 2021	4,741,132	599,594	263,666	5,604,392
Accumulated depreciation				
Balance at 1st September 2020	2,610,047	462,231	144,154	3,216,432
Charge for the year	185,021	78,665	17,111	280,798
Disposals	-	(612)	-	(612)
Total depreciation at 31 August 2021	2,795,068	540,284	161,265	3,496,618
Net book value				
At 31st August 2021	1,946,064	59,309	102,401	2,107,773
At 31st August 2020	2,099,868	94,831	36,492	2,231,191

3 INVESTMENT INCOME

	2021 £	2020 £
Interest - Investment funds	54,246	52,090
Interest - Property funds	15,576	18,421
Interest - Fixed Interest Securities	753	37
Interest on cash deposits	48	139
Interest reinvested	12,484	11,702
	83,106	82,389

Of the above, £79,403 was unrestricted (2020: £78,846) and £3,666 was restricted (2020: £3,540).



4 GRANTS AND DONATIONS

	2021 £	2020 £
HMRC Job Retention Scheme ®	13,259	19,657
Archbishop Council	76,000	-
Methodist Diaconal Order ®	10,000	-
Queen's Methodist Chaplaincy Donation ®	8,000	8,000
St Augustine's ®	9,260	-
St John's College	3,144	-
Methodist Church	-	5,000
B Stanley	-	4,500
Grimmit Trust	-	3,000
P Emberton	-	3,000
St Boniface Trust (Mission)	-	2,624
S Millard	-	1,064
United Friends of Queens	759	687
Other donations £1,000 or less	2,530	741
	<u>122,952</u>	<u>48,273</u>

Of the above, £82,433 was unrestricted (2020: £13,116) and £40,519 was restricted (2020: £35,157).

5 FIXED ASSET INVESTMENTS

	2021 £	2020 £
Market value brought forward	2,551,100	2,482,832
Dividends received and reinvested	12,484	11,702
Purchase of Investments	-	-
Sale of Investments	-	-
Profit on sale/redemption of investments	-	-
Net unrealised profit on revaluation	415,147	56,566
Closing market value	<u>2,978,731</u>	<u>2,551,100</u>
Historical cost at 31st August:	<u>1,002,444</u>	<u>989,960</u>

The investments comprise of a portfolio of funds managed by CCLA Investment Management Ltd.

	2021 £	2020 £
Investments at market value comprise:		
Investment fund income shares	2,611,199	2,207,316
Property funds	341,387	316,936
Fixed interest securities fund income shares	26,145	26,848
	<u>2,978,731</u>	<u>2,551,100</u>



6 DEBTORS

	2021 £	2020 £
Debtors	305,467	242,845
Other Debtors	93,655	75,279
	<u>399,122</u>	<u>318,124</u>

7 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade Creditors	61,938	55,609
Other Creditors	10,207	10,628
Tax & Social Security	18,069	20,407
Accruals & deferred income	40,888	104,224
	<u>131,103</u>	<u>190,868</u>

Included within other creditors is £6,953 (2020: £8,775) held on behalf of third parties. These funds are included within investments and bank.

8 RESTRICTED FUNDS

	Movement in Funds				Balance 31/08/21 £
	Balance 01/09/20 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out)	
Consolidated Fund	140,221	3,666	21,438	(22,487)	142,838
Methodist Building Grants:					
Library Extension	240,451	-	(22,118)	-	218,333
New Building Refurbishment	88,400	-	(6,800)	-	81,600
Heating overhaul	198,457	-	(24,807)	-	173,650
Mission Centre Fund	57,530	-	-	-	57,530
Principals Discretionary Fund	4,594	6	(300)	-	4,300
OFS	-	31,660	(31,660)	-	-
MEET	27,368	-	(250)	-	27,118
P'ship in Theological Education	40,237	132,575	(58,737)	-	114,075
HMRC JRS	-	13,259	(13,259)	-	-
Methodist Chaplaincy	-	8,000	(8,000)	-	-
St Augustines	-	9,260	-	-	9,260
Methodist Diaconal Order	-	10,000	(10,000)	-	-
	<u>797,258</u>	<u>208,426</u>	<u>(154,493)</u>	<u>(22,487)</u>	<u>828,705</u>

The Consolidated Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance to secure student protection.



The Methodist Library Fund provided for the extension of the existing library to house the book collection of the Selly Oak Centre for Mission Studies.

The New Building grant represents part cost of the refurbishment of living accommodation for international mission students.

The Mission Centre Fund comprises a share of the funds released by the winding up of the Selly Oak Colleges Endowment Fund and are available for appropriate projects.

The Principal's Discretionary Fund consists of a deposit and bank accounts set aside to support the living costs of needy students.

COMPARATIVES FOR RESTRICTED FUNDS

	Movement in Funds			Balance 31/08/20 £
	Balance 01/09/19 £	Incoming Resources £	(Expenditure) & Gains £	
Consolidated Fund	132,303	3,521	4,397	140,221
Methodist Building Grants:				
Library Extension	262,569	-	(22,118)	240,451
New Building Refurbishment	95,200	-	(6,800)	88,400
Heating overhaul	223,264	-	(24,807)	198,457
Mission Centre Fund	57,530	-		57,530
Principal's Discretionary Fund	4,975	19	(400)	4,594
OFS	-	32,788	(32,788)	-
MEET	-	27,368	-	27,368
Partnership in Theological Education	-	100,000	(59,763)	40,237
HMRC JRS	-	19,657	(19,657)	-
Queen's Methodist Chaplaincy Donation	-	8,000	(8,000)	-
Hardship fund	-	4,500	(4,500)	-
Grimmit	-	3,000	(3,000)	-
	<u>775,841</u>	<u>198,853</u>	<u>(177,436)</u>	<u>797,258</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,302,187	473,583	332,003	2,107,773
Investments	2,835,893	142,838	-	2,978,731
Current Assets	367,908	212,283	-	580,191
Creditors - Within one year	(131,103)	-	-	(131,103)
	<u>4,374,885</u>	<u>828,705</u>	<u>332,003</u>	<u>5,535,592</u>

NOTE : The Endowment Fund includes grants repayable on the dissolution of the College to :

The Central Board of Finance of the Church of England	150,400
The Trustees for Methodist Church Purposes	128,568
	<u>278,968</u>

The Restricted Fund includes grants repayable on the dissolution of the College to :

The Trustees for Methodist Church Purposes	<u>526,368</u>
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COMPARATIVE FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,222,298	584,624	424,269	2,231,191
Investments	2,410,879	140,221	-	2,551,100
Current Assets	562,518	72,413	-	634,931
Creditors - Within one year	(190,869)	-	-	(190,869)
- After one year	-	-	-	-
	4,004,826	797,258	424,269	5,226,353

10 UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/20 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/21 £
AD 2062 Stephen Lloyd Fund	658,413	12,484	-	-	-	670,897
Research Fund	86,498	-	-	-	-	86,498
Operating expense reserve	-	-	-	-	1,000,000	1,000,000
Church Workers' Pension Fund Liability	195,531	-	-	-	(195,531)	-
	940,442	12,484	-	-	804,469	1,757,395

The AD2062 Stephen Lloyd Fund is set up to provide resources for the renewal of the lease in 2062. This will be reviewed in 2021/22 following the Governors review of reserves policy in 2020/21.

The Operating Expense Reserve was created following the Governors review of reserves policy in 2020/21 to set aside reserves to cover approx 6 months operating expenses in line with recommended practise.

The Research Fund was set up when the assets of the Research Fellowship Trust were transferred to the Foundation and is created to support the objectives of research and research fellowships.

The Church Workers' Pension Fund liability was to provide cover for any future liability within this scheme following an actuarial valuation in 2010. This has been released following recent valuations.

Unrestricted Funds

	Balance 01/09/20 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/21 £
Designated funds	940,442	12,484	-	-	804,469	1,757,395
Unrestricted funds	3,064,384	1,826,706	(1,885,328)	393,709	(781,982)	2,617,489
	4,004,826	1,839,190	(1,885,328)	393,709	22,487	4,374,884



Comparatives for Designated Funds

	Balance 01/09/19 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/20 £
AD 2062 Stephen Lloyd Fund	646,711	11,702	-	-	-	658,413
Research Fund	101,454	-	(14,956)	-	-	86,498
Church Workers' Pension Fund Liability	195,531	-	-	-	-	195,531
	<u>943,696</u>	<u>11,702</u>	<u>(14,956)</u>	<u>-</u>	<u>-</u>	<u>940,442</u>

Comparatives for Unrestricted Funds

	Balance 01/09/19 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Transfers £	Balance 31/08/20 £
Designated funds	943,696	11,702	(14,956)	-	-	940,442
Unrestricted funds	2,875,250	2,138,016	(2,001,051)	52,169	-	3,064,384
	<u>3,818,946</u>	<u>2,149,718</u>	<u>(2,016,007)</u>	<u>52,169</u>	<u>-</u>	<u>4,004,826</u>

11 A current year 12 months and prior year 12 months combined position is as follows:

RESTRICTED FUNDS

	Movement in Funds				Balance 31/08/21 £
	Balance 01/09/19 £	Incoming Resources £	(Expenditure) & Gains £	Transfers In / (Out) £	
Consolidated Fund	132,303	7,187	25,835	(22,487)	142,838
Methodist Building Grants:					
Library Extension	262,569	-	(44,236)	-	218,333
New Building Refurb Heating overhaul	95,200	-	(13,600)	-	81,600
	223,264	-	(49,614)	-	173,650
Mission Centre Fund	57,530	-	-	-	57,530
Principal's Discretionary Fund	4,975	25	(700)	-	4,300
OFS	-	64,448	(64,448)	-	-
MEET	-	27,368	(250)	-	27,118
P'ship in Theological Education	-	232,575	(118,500)	-	114,075
HMRC JRS	-	32,916	(32,916)	-	-
Methodist Chaplaincy Donation	-	16,000	(16,000)	-	-
St Augustines	-	9,260	-	-	9,260
Methodist Diaconal Order	-	10,000	(10,000)	-	-
Hardship fund	-	4,500	(4,500)	-	-
Grimmit	-	3,000	(3,000)	-	-
	<u>775,841</u>	<u>407,279</u>	<u>(331,929)</u>	<u>(22,487)</u>	<u>828,705</u>



UNRESTRICTED FUNDS

Designated Funds

	Balance 01/09/19	Incoming Resources	Resources Expended	Gains, (Losses) & Allocations	Transfers	Balance 31/08/21
	£	£	£	£	£	£
AD 2062 Stephen Lloyd Fund	646,711	24,186	-	-	-	670,897
Six months operating exp	-	-	-	-	1,000,000	1,000,000
Research Fund	101,454	-	(14,956)	-	-	86,498
Church Workers' Pension Fund Liability	195,531	-	-	-	(195,531)	-
	<u>943,696</u>	<u>24,186</u>	<u>(14,956)</u>	<u>-</u>	<u>804,469</u>	<u>1,757,395</u>

Unrestricted Funds

	Balance 01/09/19	Incoming Resources	Resources Expended	Gains, (Losses) & Allocations	Transfers	Balance 31/08/21
	£	£	£	£	£	£
Designated funds	943,696	24,186	(14,956)	-	804,469	1,757,395
Unrestricted Funds	2,875,250	3,964,723	(3,886,379)	445,878	(781,982)	2,617,490
	<u>3,818,946</u>	<u>3,988,909</u>	<u>(3,901,335)</u>	<u>445,878</u>	<u>22,487</u>	<u>4,374,885</u>

12 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Student Fees		
Centre for Ministerial Formation	1,043,148	1,080,029
Centre for Black Theology	57,997	44,375
Centre for Discipleship Theology	110,165	41,754
Centre for Continuing Ministerial Education	52,413	74,844
Centre for Mission Studies	-	-
Non Residential tuition	-	-
Research	35,033	42,139
	<u>1,298,756</u>	<u>1,283,141</u>
Accommodation Charges		
Accommodation	482,950	785,170
External Rents in	24,703	17,563
Conferences, guests etc.	801	45,959
	<u>508,455</u>	<u>848,692</u>
Total Fees & Accommodation Charges	<u>1,807,211</u>	<u>2,131,833</u>



13 OTHER INCOME

	2021 £	2020 £
OFS Income	31,660	28,605
Global Methodist Relationships (MEET)	-	27,368
Church of England Tier 4 Contribution	-	7,000
Church of England Disabled Student Reimbursement	-	19,917
Sundry Income		
Teaching & Learning	350	1,388
Campus Sundry Income	2,337	1,798
	34,347	86,076

14 ANALYSIS OF CHARITABLE EXPENDITURE

	2021 £	2020 £
Academic & Library Costs	1,046,339	1,147,782
Disabled Student Expenditure (Reimbursed)	13,691	20,117
Administrative Costs (excluding Governance)	410,099	350,043
Catering Costs	100,091	165,120
Domestic Costs	43,969	58,685
Premises Costs	517,677	524,796
Governance Costs	21,657	23,632
	2,153,524	2,290,175

15 GOVERNANCE COSTS

	2021 £	2020 £
Salaries - operational staff	15,217	14,952
Audit fee	6,440	5,760
Auditors non audit fees	-	2,920
	21,657	23,632

16 STAFF EMOLUMENTS

	2021 £	2020 £
Salary Costs	933,597	1,043,454
National Insurance	70,902	80,261
Pension Costs	109,292	130,266
	1,113,792	1,253,981

No employee received emoluments, as defined for tax purposes of over £60,000 in either year.



The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021 FTE	2021 Number	2020 FTE	2020 Number
Academic and Library	17.7	24.8	15.3	18.8
Administrative and Others	8.7	12.8	13.9	17.9
	<u>26.4</u>	<u>37.6</u>	<u>29.2</u>	<u>36.7</u>

The total amount of employee benefits received by key management personnel is £178,912 (2020: £211,420).

	2021	2020
Number of staff receiving basic salary per annum between £100,000 - £104,999	-	-

PRINCIPAL'S SALARY

The Principal changed between reporting years. The previous Principal (David Hewlett) retired on 31 August 2020 and so prior year (2020) figures are 100% for David Hewlett. The new Principal, Clive Marsh, commenced on 1 Sep 2020 and so current year figures (2021) are 100% for Clive Marsh.

The head of the Foundation is the highest paid member of staff and receives the following amount, as set by the "Lichfield Scale" national Academic Staff and Benefit Scale:

	2021 £	2020 £
Principal Basic Salary		
Per annum (to April 2021)	32,196	31,560
Per annum (from May 2021)	32,196	32,196

Book Allowance

An allowance up to £768 (2020: £768) is claimable upon proof of receipt as an expense.

Responsibility Point (based on the number of staff in addition to the Principal)

Per annum (to April 2021)	3,167	3,105
Per annum (from May 2021)	3,167	3,167

Accommodation

The principal received free rent and council tax or housing allowance paid at the same rate

Per annum (to April 2021)	9,427	9,242
Per annum (from May 2021)	9,427	9,427

Meals

Free meals (lunch or equivalent if working evenings or weekends) of £5 per main meal are offered to all staff during term time. This equates to approximately £1,050 (based on 42 weeks a year) per annum (2020: £1,050).

Whilst the kitchen was closed March to August staff were given no rebates relating to this privilege, it being mitigated by reduced travel costs for those working from home.

Dividends

No dividend was paid to the Principal during the year ended 31st August 2021 (2020: £nil).



16 STAFF EMOLUMENTS continued

PRINCIPAL'S SALARY continued...

Performance Related Pay

No performance related pay was paid to the Principal during the year ended 31st August 2021 (2020: £nil).

Pension Contributions

Pension contributions of £4,468 were paid in the year ended 31st August 2020 (2020: £nil).

Salary Sacrifice Arrangements

There were no salary sacrifices for the year ended 31st August 2021 (2020: £nil).

Compensation for loss of Office

No compensation for loss of office was paid for the year ended 31st August 2021 (2020: £nil).

Resettlement Grant

£2,527 is available to all faculty when moving into post however there were no relocations during the year ended 31 August 2021 (2020: £nil).

Sabbatical Allowance

A three month full pay sabbatical allowance is available for all faculty for every five years' of service. There was no loss of pay for sabbatical during the year ended 31st August 2021 (2020: £nil).

The total remuneration package for the Principal is in line with that offered to all principals of Anglican Training institutions and in line with national pay scales for Anglican clergy.

The head of the providers basic salary is 1.2 times the median pay of all staff, where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The head of the providers total remuneration is 1.9 times the median total remuneration of staff where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The total amount paid across the provider for 2020-21 for loss of office is £nil. The number of people for whom this is applied is: nil.

Statement of Internal Control

This provider received confirmation of registration with OfS in January 2019. It did not receive and has never historically received any state funding from OfS or previously HEFCE. In 2019-20 the provider received this funding for the first time.

The Foundation manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee. The primary objectives of the Foundation are kept in view throughout. Financial components are contained within the register. For 2019-20 an Emergency Planning Document was prepared to assess and enable the off-set of the impact of Covid-19 upon the institution during 2019-20 and 2020-21. Significant staff change (of Principal) and the departure of the Academic Registrar and Director of Operations (one person) has not led to disruption in financial oversight due to continuity in the management accountant staffing and in the auditing processes, plus the imminent arrival of an interim part-time Director of Finance within the Foundation team.



17 AUDITORS REMUNERATION

	2021	2020
	£	£

The auditors remuneration is comprised of: -

Audit Fees	6,440	5,760
Other Services	-	2,920
	6,440	8,680
	6,440	8,680

18 TRUSTEES REMUNERATION

Trustees received £nil for the reimbursement of travelling expenses during the year (2020: £nil)

No trustee received any remuneration during the year (2020: £nil).

19 FINANCIAL COMMITMENTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than one year	12,844	12,844
Later than one and not later than five years	4,212	17,056
Later than five years	-	-

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the year	309,239	114,962
Interest receivable	(83,106)	(82,389)
Depreciation and impairment of tangible fixed assets	280,798	264,719
(Gains) on investments	(415,147)	(56,566)
(Increase) / decrease in debtors	(80,998)	(157,175)
Increase / (decrease) in creditors	(59,765)	(129,790)
	(48,978)	(46,238)
Net cash flow from operating activities	(48,978)	(46,238)



21 PENSION COSTS

The Foundation contributes to non-contributory defined benefit schemes operated by the Church of England for ordained clergy (CEFPS) and non ordained employees (CWPF). Where appropriate the Foundation also contributes to the Methodist Ministers Pension Fund (MMPF), which is also a defined benefit scheme. For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Friends Life & Pensions Ltd (FL).

During the year the Foundation's contributions were:

	2021 £	2020 £
CEFPS	29,472	38,784
CWPF	21,019	12,657
MMPF	-	21,671
FL	57,650	47,948
	<u>108,141</u>	<u>121,060</u>

All three of the defined benefit schemes in place are accounted for as defined contribution schemes because sufficient information is not available to use defined benefit accounting.

CEFPS

The CEFPS is a defined benefit scheme and 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 specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme.

At the latest valuation on 31 December 2018, contributions were retained at a rate equivalent to 39.9% of stipends.

CWPF

The Queens Foundation (DBS) participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers. The Foundation closed the scheme to new members in 2005.

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

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

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

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

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as

described in Section 28 of FRS 102 and as such 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 deficit contributions.

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been carried out as at 31 December 2019. In this valuation, the Foundations share of the underlying assets and liabilities was shown to be a deficit of £1,200.

Following the valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay expenses of £4,500 per year (£5,000 from 1 April 2021).

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

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

A valuation of the PB Classic scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. This revealed, on the ongoing assumptions used, a deficit of £4.8m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 is valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. Pension Builder 2014 commenced in February 2014. The most recent scheme valuation completed was carried out as at 31 December 2019. This revealed, on the ongoing assumptions used, a surplus of £5.5m.

MMPF

Queen's staff who were members of the MMPF scheme were transferred out of Queen's payroll in the year ending 31 Aug 2020 and so no payments are made into the MMPF this year or are expected in future years.



22 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Each member liability is limited to a maximum of £1.

As at 31st August 2021 there were 9 members of the charitable company (2020: 9)

23 RELATED PARTY TRANSACTIONS

There were no related party transactions for the year ended 31 August 2021.

24 POST BALANCE SHEET EVENTS

Covid-19 pandemic

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Charity being able to continue to operate and come to terms with the significant impact of the Covid-19 pandemic, which whilst significantly improved, is nevertheless still ongoing.

At the present time there are many unknown variables which makes forecasting the future results and impact on the Charity challenging. The trustees recognise that the current situation is uncertain but they have considered the position of the Charity both at present and for the next 12 months given the current information available.

The Charity has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

We are in regular communication with our stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts. We have implemented plans to reduce costs where necessary and maximise appropriate income opportunities.

The objective of the Charity is to continue trading whilst monitoring and adapting to the long term impact of the Covid-19 pandemic.