

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023  
FOR  
EMMANUEL THEOLOGICAL COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

**EMMANUEL THEOLOGICAL COLLEGE**

**CONTENTS OF THE FINANCIAL STATEMENTS  
for the Year Ended 31 August 2023**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 8
<b>Report of the Independent Auditors</b>	9 to 12
<b>Statement of Financial Activities</b>	13
<b>Statement of Financial Position</b>	14
<b>Statement of Cash Flows</b>	15
<b>Notes to the Statement of Cash Flows</b>	16
<b>Notes to the Financial Statements</b>	17 to 22

**EMMANUEL THEOLOGICAL COLLEGE**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**for the Year Ended 31 August 2023**

<b>TRUSTEES</b>	The Rt Rev M Davies (resigned 15/10/2022) Revd A R Brown Mrs M A Cheung The Revd Dr A O Chimhowu The Revd D A Craven Revd S S Gill Revd A Ham Dr A Lazz-Onyenobi The Revd Canon Dr R Mann The Rt Rev Dr B A Mason Revd N J Mckee (resigned 31/7/2023) Revd R L Pennystan Mr N R Robson The Rt Rev P J North Mr G Colville (appointed 15/10/2022)
<b>REGISTERED OFFICE</b>	5500 Daresbury Park Daresbury Warrington WA4 4GE
<b>REGISTERED COMPANY NUMBER</b>	06074349 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1122789
<b>INDEPENDENT AUDITORS</b>	Fairhurst Statutory Auditor Chartered Accountants Douglas Bank House Wigan Lane Wigan Lancashire WN1 2TB

**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of 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).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objects are:

1. The advancement of theological education in areas of Christian faith, mission, practice and
  - The provisions of learning opportunities for members of churches and other interested persons;
  - The sharing of theological resources with and among local churches, committees and other training providers;
  - The preparation of persons for accredited forms of ministry; and
  - The provision of opportunities for post-graduate study.
2. To advance theological education generally.

Emmanuel Theological College aims to equip the whole people of God of the whole mission of God today. The College seeks to be an education resource, providing outstanding courses and programmes for lay and ordained leadership in the Church of England, and also opportunities for others from a range of Christian traditions to access high qualities undergraduate and postgraduate study.

There are a variety of different pathways through the College curriculum for Licensed Lay Ministry candidates, ordinands, and independent students.

The College offers teaching and supervision at all levels of study from Certificate of Higher Education to MA. Some students undertake doctoral studies for which the College works in partnership with a range of validating institutions. There are also significant opportunities for those wanting to do further study and extend their existing qualifications.

Students may study on a full-time or part-time basis.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

**OBJECTIVES AND ACTIVITIES**

**Achievements and Performance**

All duties and responsibilities of the College pertaining to our aims and objectives have been undertaken. We have fulfilled our commitments to the University of Durham Common Awards and to the Ministry Council of the Church of England.

To celebrate its first year of operation, at the suggestion of the Dean and instead of a party, the College devised and hosted an international conference on Global Theology at Liverpool Cathedral, with the goal of championing global voices in the theological conversation. The keynote speaker was Prof. Kelly Brown Douglas from the Episcopal Divinity School in New York, and other speakers included Dr Carlton Turner, Dr Renie Chow Choy, Dr Isabelle Hamley, and Dr Sanjee Perera. The conference attracted 75 delegates in person, with others joining from USA, India, and the Holy Land by Zoom. The success of the conference led to further conversations with Prof Brown Douglas, including for future collaboration. In August 2023, Prof Brown Douglas accepted the Dean's invitation to become an Honorary Professor of Global Theology at Emmanuel for two years and is expected to be in residence at the College for the Autumn Term 2023.

The College delivered all its intended mid-week teaching at its various Teaching Centres (Blackburn, Carlisle, Chester, Isle of Man, Liverpool, and Manchester) as well as six residential weekends and one residential week for ordinands at Swanwick, and four formational study days for Readers at Whalley Abbey. We were delighted to welcome a range of specialist subject tutors to deliver material at the residencies, as well as some prestigious invited guests to deliver the half-termly College Lecture focused on wider themes in theology, church, and society: Dr Jill Duff (Bishop of Lancaster), Dr Anderson Jeremiah (Lancaster University, now Bishop of Edmonton), Dr Roger Bretherton (Lincoln University), Maeve Baroness Sherlock (Shadow Spokesperson for Education), Dr Aby Alexander (Christian Institute of Management), and Dr Deirdre Brower Latz (Nazarene Theological College).

As part of its application for registration with the Office for Students, Emmanuel Theological College underwent its Quality and Standards Review in January 2023. The process of registration is still ongoing, but the QSR was a positive experience, and the (as yet) unpublished report is a good reflection on the quality of our pedagogical offering and the hard work undertaken by staff and students in the shared enterprise of learning.

Professor Mike Higton preached at the College's first College Graduation Eucharist at Blackburn Cathedral in March 2023. It was an excellent event, attended by over 75% of our leavers from 2022. The service was followed by lunch in the Cathedral.

Across the course of the year staff have been involved with knowledge transfer and shared their expertise within our partner dioceses, delivering teaching and training sessions as part of IME 2 and CPD programmes. The Dean was involved with several national Church projects (including the Working-Class Clergy Advisory Group, the Northern Additional Vocational Pathways Group, teaching on the Senior Leadership Development Programme) and the Vice Dean has been involved with several national projects on racial justice and inclusion as well as a participant observer in the House of Bishops.

We have also celebrated a range of staff publications in peer reviewed academic journals, as well as book chapters and monographs. This is a sign of our research-led teaching, and ongoing contribution to the wider field of theology, philosophy, and ethics.

**Public benefit**

The trustees confirm that they have complied with the duty under section 17 of the Charities Act 2011 to have due regard to the public benefit guidance issued by the Charities Commission.

Emmanuel Theological College trains lay and ordained ministers to university standards for the Church of England. Independent students are also encouraged and welcomed. The costs of training are not charged to the majority of students and courses are open to members of the public at a subsidised cost. The professional training of the church's ministers is essential to the quality of the service that they offer to the public.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

**FINANCIAL REVIEW**

**Investment policy and objectives**

The funds have been invested in short term investments in order to continue the activities of the company.

**Reserves policy**

The movement on reserves can be seen in detail in note 13 to these accounts.

The Trustees have agreed that the aim is for a minimum of six months gross salary and benefits costs be maintained within reserves. Based on the costs incurred this financial year, this would mean that reserves should stand at approximately £355,000.

The trustees recognise that there is currently a shortfall however, it is anticipated that a surplus will be achieved in the 2024 financial year which will go some way to reducing the shortfall.

**Financial review**

Income for the year totalled £966,665 (2022: £926,503) and expenditure amounted to £1,078,701 (2022: £1,120,337) per the Statement of Financial Activities (SOFA), leaving net deficit of £112,036 (2022: £193,834).

The trustees receive regular information and carefully monitor the financial position of the charity at their meetings.

They continue to review costs and reduce these where possible to ensure there are sufficient funds available to fulfil the core purposes of the charity as set out in the objectives above.

A grant of £150,000 was received from the Trustees of St John's Nottingham in August 2023. as requested, this has been placed in a designated fund and will be utilised next year in respect of library provisions and student resources, and costs related to development work and future Theology conferences. Any surplus can then be used as a contribution to the student bursary fund.

The trustees are satisfied that Emmanuel Theological College will have adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the financial statements on that basis.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity, formerly called The Southern North West Training Partnership, was established in 2006 as an outworking of the commitment of church leaders and trainers in the region, to collaborate more closely in the provision of quality local and ecumenical theological education and training. Their vision was for a unitary and fully ecumenical Regional Training Partnership (the "RTP").

It became a company limited by guarantee on 30 January 2007 and gained charitable status in February 2008.

In May 2013, the charity changed its name to All Saints Centre for Mission and Ministry and then to Emmanuel Theological College in April 2021. It is governed by the provisions contained within its Memorandum and Articles of Association (reconstituted in 2021), the requirements of its partner institutions and other statutory and charity laws. With the transition to Emmanuel Theological College, the Members charge the Dean and CEO, The Revd Canon Dr Michael Leyden, to revitalise the work of the institution. A strategic Development Plan was drawn up by Dr Leyden and approved by the Board of Trustees in January 2023. This focused on twelve strategic objectives to be delivered over a five-year period.

There are twelve Member bodies who appoint the Board of Trustees as follows:

The DBF of the Diocese of Chester  
The DBF of the Diocese of Carlisle  
The DBF of the Diocese of Liverpool  
The DBF of the Diocese of Manchester  
The DBF of the Diocese of Blackburn  
The DBF of the Diocese of Sodor and Man

The Bishop of Carlisle  
The Bishop of Chester  
The Bishop of Liverpool  
The Bishop of Manchester  
The Bishop of Blackburn  
The Bishop of Sodor and Man

Each member of the company has a personal liability limited to £1 under their guarantee as company members in the event of the company being wound up.

**Recruitment and appointment of new trustees**

The term trustee has the meaning as set out in section 177 of the Charities Act 2011, that is, "the persons having the general control and management of the administration of the charity regardless of what they are called". In the case of a charitable company, it is the directors who are the charity trustees. Throughout this report the word "director(s)" can also be read as "trustee(s)".

The trustees are appointed as per the Articles of Association, and are receiving ongoing training, as appropriate. Some senior staff have job titles incorporating the title 'Director' but they are not directors of the company for the purposes of company law. None of the trustees has any beneficial interest in the company.

The Chair of the Board is Rt Revd Philip North, and the Board normally meets 4 times per year.

The Board of Trustees is responsible for the vision, strategy, and significant policies of Emmanuel Theological College. Operational responsibility is devolved to the Dean and Chief Executive Officer as per the relevant Schedule. As stated in its principal activities, Emmanuel Theological College provides the advancement of theological education in areas of Christian faith

**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The day-to-day overview of the operation of the Course is in the hands of the Principal. This includes:

- Advising on action needed to raise the income necessary to finance expenditure
- Advising members of the financial aspects of its policy and on any other matters
- Preparation and management of the approved annual budget
- Investment powers over Emmanuel's own assets

In accordance with clause 11.1 of the Articles of Association, the Board of Trustees has also established sub-committees, the functions of which are listed below. All sub-committees assist the Principal in carrying out his duties and are required to report all acts and proceedings to the Board as soon as is reasonably practical.

Deans Review and Remuneration Subcommittee undertakes the following tasks:

- Review the Dean's performance against the job description and any performance indicators, including the details of the last annual performance plan.
- Agree an annual performance plan with the Dean for the forthcoming year.
- Arrange for any ongoing training or support that the Dean may need to complete duties.
- Appoint a member of the DRRS to conduct an interim review of the progress against the Dean's performance plan in December each year.
- Submit a report to the Board of Trustees highlighting both the successes of the previous year and outlining the key points in the annual performance plan.
- Review the Dean's remuneration in accordance with the contract of employment, job description, and performance plan and make recommendations to the Board of Trustees regarding any increase above those already contained in the Lichfield Scale for the forthcoming year.
- Through the Chair, keep informal contact with the Dean on a regular basis, offering support and advice as necessary.

Academic and Partnerships Subcommittee undertakes the following tasks:

- Work with the Dean, and where appropriate other members of staff, to monitor all aspects of the College's curriculum, teaching and learning, and quality of provision.
- Ensure that the College's academic strategy meets the needs of the North West, including provision of appropriate support for students from underrepresented backgrounds.
- Contribute to relevant sections of the Action Plan.
- Support the work of the Academic Working Group (AWG) where appropriate
- Ensure that effective monitoring of student experience and formational opportunities is undertaken regularly, and appropriate follow up and response is undertaken
- Review the relevant feedback from the annual student surveys.
- Exercise appropriate oversight regarding the accuracy of public information regarding the academic programmes offered by the College.
- Advise the Dean regarding partnerships, whether potential or actual, that will advance the goals of the College.
- Be responsible for policies that impact students experience, making any recommendations for change to the full Board of Trustees, including but not limited to:
  - Admission Policy
  - Terms and Conditions
  - Student Complaints Policy
  - Student Conduct Statement
  - Student Disciplinary Policy
  - Relevant sections of the Student Protection Plan

Business and Finance Subcommittee undertakes the following tasks:

- Create the annual budget to be ratified by the Board



**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

- Conduct annual monitoring and evaluation of the budget
- Ensure accounts are properly prepared and present each year
- Recommend an external auditor to the full Board, and ensure the auditor has all necessary information to conduct their business each year.
- Work with the Dean, and where appropriate other members of staff, to monitor all aspects of the College's financial activities and business planning.
- Contribute to relevant sections of the Action Plan, and strategically review the financial resources available to the College.
- Review the relevant feedback from the annual student surveys.
- Exercise appropriate oversight regarding the accuracy of public information regarding the Fees charged for various programmes and courses.
- Be responsible for policies that impact students experience, making any recommendations for change to the full Board of Trustees, including but not limited to:
  - Reviewing Fees for each academic year
  - Refund and Compensation Policy
  - Relevant sections of the Terms and Conditions
  - Relevant sections of the Student Protection Plan
  - Business Continuity Plan

**Related parties**

The trustees acknowledge that due to the complexity of the structures in which Emmanuel Theological College operates, a number of related party transactions may occur. A related party transaction is one where the charity has a relationship with another party, which might inhibit it from pursuing its own interests.

Any decision by a charity to enter into a transaction ought to be influenced only by the consideration of the charity's own interests. This does not necessarily mean that all transactions with related parties are influenced by the consideration of interests other than the charity's, nor that they are liable to invalidation, but transparency is important and therefore information about such transactions is necessary.

The transactions and balances with related parties are disclosed in note 14 to the financial statements.

**Risk management**

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place.

In addition to the risk of fraud and error, the principal risks relate to the number of student enrolments and the funding provision for the Ministry Division of Archbishops' Council and other sponsoring bodies.

The Risk Register is overseen by the Business and Finance Subcommittee on behalf of the Board.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Emmanuel Theological College for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 August 2023**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Fairhurst, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 31 May 2024 and signed on its behalf by:

The Rt Rev P J North - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EMMANUEL THEOLOGICAL COLLEGE**

### **Opinion**

We have audited the financial statements of Emmanuel Theological College (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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).

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.

### **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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### **Other information**

The trustees 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EMMANUEL THEOLOGICAL COLLEGE**

### **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 Trustees.

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

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

### **Responsibilities of trustees**

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

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EMMANUEL THEOLOGICAL COLLEGE**

### **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.

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

Based on our understanding of the charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, The Companies Act 2006, UK Tax, employment, pension and health & safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and Charities Act.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements.

Our procedures to respond to risks identified included the following:

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- reviewing the financial statement disclosures and performing tests on supporting documentation to assess compliance with the provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims; their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspections of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EMMANUEL THEOLOGICAL COLLEGE**

**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.

Jane Dennis BA(Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

31 May 2024

**EMMANUEL THEOLOGICAL COLLEGE**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
for the Year Ended 31 August 2023**

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>	3				
Education and training for Ministry		959,944	-	959,944	924,894
Investment income	2	<u>6,721</u>	<u>-</u>	<u>6,721</u>	<u>1,609</u>
<b>Total</b>		<u>966,665</u>	<u>-</u>	<u>966,665</u>	<u>926,503</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Education and training for Ministry		<u>1,078,701</u>	<u>-</u>	<u>1,078,701</u>	<u>1,120,337</u>
<b>NET INCOME/(EXPENDITURE)</b>		(112,036)	-	(112,036)	(193,834)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		160,433	-	160,433	354,267
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>48,397</u>	<u>-</u>	<u>48,397</u>	<u>160,433</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION  
31 August 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
<b>CURRENT ASSETS</b>					
Debtors	9	76,306	-	76,306	70,898
Cash at bank and in hand		<u>168,179</u>	<u>150,000</u>	<u>318,179</u>	<u>358,716</u>
		244,485	150,000	394,485	429,614
<b>CREDITORS</b>					
Amounts falling due within one year	10	(196,088)	-	(196,088)	(269,181)
<b>NET CURRENT ASSETS</b>		<u>48,397</u>	<u>150,000</u>	<u>198,397</u>	<u>160,433</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		48,397	150,000	198,397	160,433
<b>ACCRUALS AND DEFERRED INCOME</b>	12	-	(150,000)	(150,000)	-
<b>NET ASSETS FUNDS</b>	13	<u>48,397</u>	<u>-</u>	<u>48,397</u>	<u>160,433</u>
Unrestricted funds				48,397	160,433
<b>TOTAL FUNDS</b>				<u>48,397</u>	<u>160,433</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 31 May 2024 and were signed on its behalf by:

The Rt Rev P J North - Trustee



**EMMANUEL THEOLOGICAL COLLEGE**

**STATEMENT OF CASH FLOWS  
for the Year Ended 31 August 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(47,258)</u>	<u>(237,703)</u>
Net cash used in operating activities		<u>(47,258)</u>	<u>(237,703)</u>
<b>Cash flows from investing activities</b>			
Interest received		<u>6,721</u>	<u>1,609</u>
Net cash provided by investing activities		<u>6,721</u>	<u>1,609</u>
<b>Cash flows from financing activities</b>			
New loans in year		<u>-</u>	<u>105,000</u>
Net cash provided by financing activities		<u>-</u>	<u>105,000</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(40,537)</u>	<u>(131,094)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>358,716</u>	<u>489,810</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>318,179</u>	<u>358,716</u>

The notes form part of these financial statements

**EMMANUEL THEOLOGICAL COLLEGE**

**NOTES TO THE STATEMENT OF CASH FLOWS  
for the Year Ended 31 August 2023**

**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(112,036)	(193,834)
<b>Adjustments for:</b>		
Interest received	(6,721)	(1,609)
Increase in debtors	(5,408)	(53,495)
Increase in creditors	76,907	11,235
<b>Net cash used in operations</b>	<u>(47,258)</u>	<u>(237,703)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/9/22 £	Cash flow £	At 31/8/23 £
<b>Net cash</b>			
Cash at bank and in hand	<u>358,716</u>	<u>(40,537)</u>	<u>318,179</u>
	<u>358,716</u>	<u>(40,537)</u>	<u>318,179</u>
<b>Debt</b>			
Debts falling due within 1 year	<u>(165,000)</u>	<u>-</u>	<u>(165,000)</u>
	<u>(165,000)</u>	<u>-</u>	<u>(165,000)</u>
<b>Total</b>	<u>193,716</u>	<u>(40,537)</u>	<u>153,179</u>

The notes form part of these financial statements

## EMMANUEL THEOLOGICAL COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 August 2023

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

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.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Allocation and apportionment of costs**

Wherever possible, each item of expenditure is allocated to either charitable activities or governance costs, according to the function it pertains to. The cost of charitable activities includes support costs, which are those costs not constituting part of the output of a charitable activity but which are necessary for its delivery. The main items allocated to support costs are the employment of administrative staff together with the running costs of the charity's offices.

Governance costs are costs associated with the governance arrangements of the charity and include the preparation of the financial statement and their review, legal advice for the trustees and the costs of holding trustees meetings.

Whenever a cost cannot be directly allocated to any of the above, an apportionment is made on a just and reasonable basis.

##### **Taxation**

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

The charity is not able to recover Value Added Tax and therefore all expenditure in the accounts is recorded inclusive of VAT.

##### **Fund accounting**

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

All funds are unrestricted funds, which are expendable at the discretions of the trustees in furtherance of the objects of the charity.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**EMMANUEL THEOLOGICAL COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 August 2023**

**2. INVESTMENT INCOME**

	2023	2022
	£	£
Deposit account interest	<u>6,721</u>	<u>1,609</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2023	2022
		£	£
Independent Students	Education and training for Ministry	29,826	31,287
Sundry sources	Education and training for Ministry	21,484	23,850
Training Fees	Education and training for Ministry	<u>908,634</u>	<u>869,757</u>
		<u>959,944</u>	<u>924,894</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Education and training for Ministry	<u>876,371</u>	<u>202,330</u>	<u>1,078,701</u>

**5. SUPPORT COSTS**

	Management £
Education and training for Ministry	<u>202,330</u>

Support costs, included in the above, are as follows:

**Management**

	2023	2022
	Education and training for Ministry £	Total activities £
Admin staff wages	130,368	140,051
Social security	8,872	13,260
Pensions	28,952	25,400
Other operating leases	8,650	8,046
Insurance	2,793	2,606
Postage and stationery	726	373
Other costs	13,484	22,443
Admin travel & training	2,216	6,987
Audit fees	5,904	5,701
Office move and set-up	-	10,353
Bank fees	<u>365</u>	<u>807</u>
	<u>202,330</u>	<u>236,027</u>

**EMMANUEL THEOLOGICAL COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 August 2023**

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Other operating leases	<u>8,650</u>	<u>8,046</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

No Trustees received remuneration for services as trustees. However, travel and associated expenses totalling £2,152 (2022: none) were paid during the year.

The Revd Canon Michael Leyden was paid for his role as Principal of the College. His package was made up of salary, housing allowance, book allowance and retreat allowance and his taxable salary was £47,179 (2022 - £32,330). Pension contributions paid on his behalf were made under a non-contributory scheme, as detailed in note 15, and amounted to £7,147 (2022 - £4,898).

**Trustees' expenses**

	2023	2022
	£	£
Trustees' expenses	<u>2,152</u>	<u>-</u>

**8. STAFF COSTS**

	2023	2022
	£	£
Wages and salaries	529,898	506,970
Social security costs	41,227	48,419
Other pension costs	<u>42,260</u>	<u>99,857</u>
	<u>613,385</u>	<u>655,246</u>

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

	2023	2022
Academic	13	13
Administration	<u>5</u>	<u>5</u>
	<u>18</u>	<u>18</u>

No employees received emoluments in excess of £60,000.

**EMMANUEL THEOLOGICAL COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 August 2023

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	13,612	18,797
Other debtors	4,578	5,315
Prepayments and accrued income	58,116	46,786
	<u>76,306</u>	<u>70,898</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Bank loans and overdrafts (see note 11)	105,000	105,000
Other loans (see note 11)	60,000	60,000
Social security and other taxes	11,985	12,980
Other creditors	13,844	86,541
Accrued expenses	5,259	4,660
	<u>196,088</u>	<u>269,181</u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	105,000	105,000
Loans from connected charities	60,000	60,000
	<u>165,000</u>	<u>165,000</u>

All of the above loans are interest-free and not secured and are repayable in full by 31st August 2024.

**12. ACCRUALS AND DEFERRED INCOME**

	2023	2022
	£	£
Accruals and deferred income	<u>150,000</u>	<u>-</u>

**EMMANUEL THEOLOGICAL COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 August 2023**

**13. MOVEMENT IN FUNDS**

	At 1/9/22 £	Net movement in funds £	At 31/8/23 £
<b>Unrestricted funds</b>			
Other charitable funds	160,433	(112,036)	48,397
<b>TOTAL FUNDS</b>	<u>160,433</u>	<u>(112,036)</u>	<u>48,397</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Other charitable funds	966,665	(1,078,701)	(112,036)
<b>TOTAL FUNDS</b>	<u>966,665</u>	<u>(1,078,701)</u>	<u>(112,036)</u>

**Comparatives for movement in funds**

	At 1/9/21 £	Net movement in funds £	At 31/8/22 £
<b>Unrestricted funds</b>			
Other charitable funds	354,267	(181,033)	173,234
Designated fund	-	(12,801)	(12,801)
	<u>354,267</u>	<u>(193,834)</u>	<u>160,433</u>
<b>TOTAL FUNDS</b>	<u>354,267</u>	<u>(193,834)</u>	<u>160,433</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Other charitable funds	926,503	(1,107,536)	(181,033)
Designated fund	-	(12,801)	(12,801)
	<u>926,503</u>	<u>(1,120,337)</u>	<u>(193,834)</u>
<b>TOTAL FUNDS</b>	<u>926,503</u>	<u>(1,120,337)</u>	<u>(193,834)</u>

## EMMANUEL THEOLOGICAL COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 August 2023

#### 14. RELATED PARTY DISCLOSURES

Loans from related party organisations are as follows

		2023	2022
£	£		
The Diocese of Blackburn		10,000	10,000
The Diocese of Carlisle		10,000	10,000
The Diocese of Chester		10,000	10,000
The Diocese of Liverpool		10,000	10,000
The Diocese of Manchester		10,000	10,000
The Diocese of Sodor & Man		10,000	10,000

#### 15. EMPLOYEE BENEFIT OBLIGATIONS

##### Pension Builder Scheme

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.

##### Church of England Funded Pension Scheme (CEFPS)

Emmanuel Theological College participates in the Church of England Funded Pensions Scheme for stipendiary clergy. 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 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 in respect of the above schemes were £42,260 (2022: £99,857).



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