

LINDISFARNE COLLEGE OF THEOLOGY LTD

England & Wales · Charity number 1136478

Details

Other names	LINDISFARNE REGIONAL TRAINING PARTNERSHIP
Status	Registered
Legal form	Charitable company
Company number	06905282
Registered	2010-06-21
Register	View on the Charity Commission register

Contact

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Phone	07768788283
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Website	www.lindisfarnernct.org

Activities

Objects: 1 THE PROMOTION AND DELIVERY OF EDUCATION FOR THE DISCIPLESHP, INITIAL MINISTERIAL EDUCATION AND CONTINUING MINISTERIAL DEVELOPMENT FOR BOTH ORDAINED AND LAY MEMBERS OF PARTICIPATING CHRISTIAN CHURCHES2 THE PROVISION OF OTHER THEOLOGICAL AND MINISTERIAL TRAINING AND CHRISTIAN EDUCATION TO BOTH LAY AND ORDAINED PERSONS3 ENGAGING AND COOPERATING WITH OTHERS IN SUCH THEOLOGICAL AND MINISTERIAL TRAINING AND CHRISTIAN EDUCATION; AND4 THE PROMOTION AND RESEARCH INTO THEOLOGY AND RELATED SUBJECTS AND THE PUBLICATION OF THE USEFUL RESULTS THEREOF

Activities: * Education for Discipleship (an opportunity to enable lay Christians to further develop their learning)* Training for Ministry* Continuing Ministerial and Professional Development for those accredited lay and ordained ministries

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE,
- Darlington
- Durham
- Gateshead
- Hartlepool
- Newcastle Upon Tyne City
- North Tyneside
- Northumberland
- South Tyneside
- Stockton-on-tees
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£369,188	£396,250	-	-
2024-08-31	£303,614	£391,028	-	-
2023-08-31	£305,586	£343,250	-	-
2022-08-31	£255,043	£301,066	-	-
2021-08-31	£281,150	£252,843	-	-

Trustees

Name	Role	Appointed
Revd Canon Dr Alan Bennett Bartlett	Chair	2018-06-06
ANTHONY JONATHAN HEWITT		2020-01-21
Rev Katherine Janet Bagnall		2023-05-12
Rev Rachel Wood		2023-01-03
Revd Susan McCormack		2019-07-17
Shirley Morgan		2023-01-03

Accounts

Lindisfarne College of Theology Ltd

Trustees' Report & Financial Statements

Year ended 31 August 2025

Company no 06905282

Charity no 1136478

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Annual report

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LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also directors for the purposes of company law, present their combined trustees' report and directors' report, together with the financial statements, for the year ended 31 August 2025.

Legal Objects

Lindisfarne College of Theology Ltd ("LCT") is the provider of part time non-residential IME1 (Initial Ministerial Education) training for Ordinands and Readers for the Dioceses of Durham and Newcastle. We will deliver this contract to the highest standards, and further develop the detail of our programmes to meet the emerging needs of the Dioceses of Newcastle and Durham students. We also have an increasing number of independent students and continuing students seeking higher level qualifications.

Aims and objectives

Our Mission

Lindisfarne exists to support the Church in the North East by encouraging discipleship in communities of Christian learning.

Our Aim

To advance the Christian religion by the promotion and delivery of education for discipleship, initial ministerial education, and continuing development for ordained and lay members within the region.

The Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the LCT. The trustees believe that, by promoting the work of Christian Churches, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the region as a whole and in its individual communities and parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Achievements in the year

LCT exists to be a learning community for the Church in the North East. We deliver high quality training to ordinands, readers and licensed lay ministers in training, and others training for authorised ministries (ALMOWs, LPMs, LPChs, MEVs) as well as independent students. As previously, the training consists of academic and formational elements, centred around teaching the Church of England's Common Awards modules at Undergraduate and Postgraduate levels for the academic programme, and a pattern of corporate life, prayer and worship on a weekly basis for the formational programme. Residential weekends through the year add a range of additional formational elements, as well as continuing the academic programme. Ordinands also benefit from a week-long residential Easter School.

Staff changes in 2024-25

- The new college Principal, Revd Dr Richard Briggs, has overseen his first year in post.
- The college appointed two new core staff posts. One is a full-time Director of Contextual Learning (Revd Dr Tiffany Conlin), who took up her position on 1 January 2025, with a post that included replacing two of the part-time posts that came to an end in 2024. The other is a Director of Foundational Learning and the Elizabeth Pathway (Revd Dr Tim Wall). This is a half-time post initially funded for two years by a successful grant application to the Church of England's Innovation Funding appeal. This post began on 1 September 2025.
- The two college chaplains stepped down after a long period of service, and two new chaplains were appointed for Sept 2025. This is an honorary post accompanied by a modest stipend. The wide range of associate tutors (who teach modules) and personal tutors (who take 1-1 pastoral tutorials with students) was reduced, with retirements and reallocation of some work to the newly expanded core staff team.
- By 1 Sept 2025 the LCT staff consisted of a Principal (1.0 fte), a Director of Contextual Formation (1.0), a Director of Undergraduate Studies (1.0), a Director of Postgraduate Studies (0.7), a Director of Formational Learning (0.5), an Academic Administrator (1.0), and a Business and Finance Director (0.6) – a total of 5.8 fte.

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Other achievements in the year

- The 2024 'Periodic External Review' process was brought to a satisfactory conclusion by way of a follow up visit in March 2025, and a subsequent report signing off on all the actions required. This included reviewing and updating some of the terms of reference for the Board of Trustees and recruiting new trustees to diversify our expertise.
- The College had record student numbers – 86 started across all programmes, and by the end of the year 79 were still enrolled, while another 2 or 3 were pausing with a view to return in the near future.
- Extensive surveying of student experience revealed a very high level of satisfaction with almost every aspect of the course and the formational experience of being a student at LCT.
- Each training pathway continued to develop its own strengths. The new Elizabeth Pathway brings in a new combined discernment and ordination training track. Recruitment was particularly high in 2024-25 for ALMOWs (11 began the year), and LLM/Readers (with 12 new beginners raising the total to 30 at the start of the year). There was also a larger than usual MEV cohort (6 people).
- The programme for residential weekends was adjusted to make better use of the time and expand the teaching provision. Most weekends took place at Ushaw Historic House, and from Sept 2025 all weekends will do so. Further reorganising allows greater formational group time on teaching Saturdays. A residential Easter School for a week at Mirfield College of the Resurrection, near Leeds, allowed study and reflection on the nature of ordained ministry and the chance to meet with a range of practitioners.
- The college has appointed a staff member to responsibility for EDI and its development (our Director of Formational Learning has taken this on. A new taught course on this area allows students increased opportunity to reflect on it.

Future plans

- We actively keep a close eye on resource management: time, money and staff effort. This will involve attending to timetable revision, sustainability of course offerings, and best practice going forward for our processes and structures.
- We continue to pursue funding for new initiatives, with a particular focus on widening access to theological education for those with limited study backgrounds.
- We are redeveloping our advertising and publicity, including developing our website and facebook presence, and a new range of Open Days and public facing events.
- We will pursue further opportunities for working with fellow TEIs in the North (Cranmer Hall and St Hild's College).

Financial review

Overall financial position

Income totalled £369,188 (2024: £303,614) and expenditure amounted to £396,250 (2024: £391,028). The Statement of Financial Activities (SOFA) for the year shows net shortfall, before investment movements of £27,062 (2024: shortfall £87,414). The net movement in funds resulted in a decrease in total funds from £117,856 to £90,566.

Principal funding sources

In the year to 31 August 2025 40% (2024: 31%) of our income came from diocesan course fees and of the remaining 60%, 39% (2024: 46%) was from Ministry Division Fees and 19% (2024:16%) from other course fees.

Review of financial position

The balance sheet has decreased by £27,290 during the year. Trustees are satisfied the accounts reflect the year end result and financial position accurately and are proactively considering ways of reducing the annual deficit.

Going concern

The trustees have considered the charity's financial sustainability over the next financial year and beyond. As discussed above, the charity retains a level of reserves which would help to mitigate any immediate financial pressures and manage anticipated cashflow needs in the coming year.

The present financial position is further supported by a commitment from the Dioceses to maintain the current relationship on an ongoing basis.

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the coming year. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

LCT currently has reserves totalling £90,566, of which £90,808 are free reserves (unrestricted reserves). The priority has been to build towards a position where it has free reserves equivalent to at least four months' employment costs of its direct employees and also accommodation costs. The value of free reserves required is a minimum of £103,068. The trustees are aware that the level of reserves has fallen below its minimum figure of £103,068.

Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

Structure and Governance

LCT is governed by the provisions contained within its Memorandum and Articles of Association, the requirement of its partner institutions and other statutory and charity laws.

The statutory governing body also known as the Board of Trustees, normally meets four times a year.

LCT was incorporated on 14 May 2009 as a limited company (No. 06905282) and its governing documents are the Memorandum and Articles of Association. LCT is registered with the Charity Commissioners (No. 1136478). Revised Articles of Association were adopted on 25th May 2017.

Every member has a personal limited liability to £10 under their guarantee as company members in the event of it being wound up.

Decision-making structure

The Board of trustees are responsible for the vision, strategy, and policy of LCT.

The Board has delegated responsibility for the day-to-day management of the company to the Principal, working with the Chair. This includes:

- Advising on action needed to raise the income necessary to finance expenditure;
- Advising founder members of the financial aspects of its policy and on any other matters referred to it;
- Preparation of an annual budget;
- Budgetary control within the approved budget.

Appointment of Board of Trustees

The trustees are members of the Board (see page 6). All trustees are appointed as per the Articles of Association. Trustees receive on-going training, as appropriate.

Sub-committee structure

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

In accordance with clause 40 of the Articles of Association, the Board of trustees has established one sub-committee the Board of Studies and the TEI Management Committee for the Common Awards programmes. The functions of the Board of Studies are to:

- Make recommendations to the staff about addressing student and tutor needs;
- Make recommendations to the Board of Examiners about awards;
- Make recommendations to the BA in Theology, Ministry and Mission (BATMM) Joint Working Group about operational issues in the Initial Ministerial Education programme;
- Encourage consistency in marking;
- Handle appeals from and about students and tutors;
- Determine, where appropriate, whether students need to re-present assignments or re-take particular modules.

Trustees' responsibilities

The Board (who are also directors of Lindisfarne College of Theology for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires that the Board are to prepare financial statements for each financial year. Under company law the Board must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 operation.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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

Related parties

The trustees acknowledge that related party transactions may occur.

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 charities nor that they are liable to invalidation, but transparency is important and therefore information about such transactions is necessary.

Connected charities

Following the adoption of the revised Articles of Association in May 2017, the trustees consider there are no connected charities.

Pension scheme

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Church of England Pensions Board is responsible for the Clergy Pension Fund and the Church Workers Pension Fund and it is to this body that the LCT pays retirement benefit contributions for its employees (see note 11 to the accounts).

Risk management

The Board confirm that the major risks to which the LCT are exposed, as identified by the Board and staff, have been reviewed and that systems and procedures have been established to manage those risks. The Board will ensure that risks are reviewed and managed as part of the risk management strategy.

Appointment of Independent Examiner

UNW LLP have been re-appointed as Independent examiner.

By Order of the Board



The Revd Canon Dr A B Bartlett
Joint Chair

15th January 2026

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Revd Canon Dr A B Bartlett (Joint Acting Chair)
The Revd Canon S McCormack (Joint Acting Chair)
The Revd Dr D E G Whiting (left 10.10.2024)
A J Hewitt
Ven R A Wood Archdeacon of Northumberland
S Morgan
Ven K J Bagnall Archdeacon of Sunderland
Revd Canon Remi Omole (appt 16.01.25)
Revd Emma Duff (appt 15.01.25)

Independent examiner

UNW LLP
Chartered Accountants
Citygate, St. James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Co-operative Bank Plc
PO Box 250, Skelmersdale
WN8 6WT

Solicitors

Sintons LLP
The Cube, Barrack Road
Newcastle upon Tyne
NE4 6DB

Registered Office

Church House, St John's Terrace
North Shields, NE29 6HS
(Telephone: 07768 788283)
(Website: www.lindisfarnect.org)
(Email: enquiries@lindisfarnect.org)

Company registered number: 06905282

Registered charity number: 1136478

LINDISFARNE COLLEGE OF THEOLOGY LTD

INDEPENDENT EXAMINERS REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 AUGUST 2025

Independent examiner's report to the trustees of Lindisfarne College of Theology ('the company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2025.

This report is made solely to the company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Anne Hallowell BSc FCA DChA

UNW LLP

Newcastle upon Tyne

Date:

LINDISFARNE COLLEGE OF THEOLOGY LTD
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income from					
Diocesan course fees	2	148,359	-	148,359	94,977
Income from charitable activities:					
Ministry Division Fees		144,229	-	144,229	140,574
Other income		4,404	132	4,536	13,211
Other course fees		69,182	-	69,182	50,892
Bank Interest		2,882	-	2,882	3,960
Total income		<u>369,056</u>	<u>132</u>	<u>369,188</u>	<u>303,614</u>
Expenditure on					
Charitable activities	3	395,530	720	396,250	391,028
Total expenditure		<u>395,530</u>	<u>720</u>	<u>396,250</u>	<u>391,028</u>
Net expenditure before investment (losses)/gains		(26,474)	(588)	(27,062)	(87,414)
Net gain/(loss) on investment					
Unrealised gain/(loss) on investment assets	8	<u>(228)</u>	<u>-</u>	<u>(228)</u>	<u>7,966</u>
Net expenditure		(26,702)	(588)	(27,290)	(79,448)
Reconciliation of funds					
Total funds brought forward		117,510	346	117,856	197,304
Total funds as at 31 August 2025	12	<u>90,808</u>	<u>(242)</u>	<u>90,566</u>	<u>117,856</u>

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
BALANCE SHEET AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	7	720	630
Investments	8	<u>77,054</u>	<u>77,283</u>
		77,774	77,913
Current assets			
Debtors	9	14,260	14,377
Cash at bank		<u>22,539</u>	<u>96,858</u>
		36,799	111,235
Creditors: amounts falling due within one year	10	(24,007)	(71,292)
Net current assets		12,792	39,943
Total assets less current liabilities		90,566	117,856
Net assets		90,566	117,856
The funds of the charity			
Unrestricted income funds	12	90,808	117,510
Restricted income funds	12	<u>(242)</u>	<u>346</u>
Total Funds		90,566	117,856

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

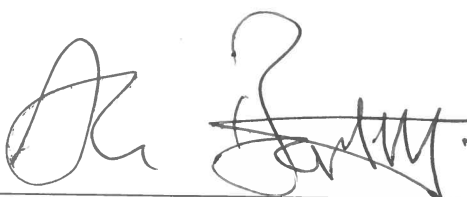
No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the members of the Board on the 15th January 2026 and are signed on their behalf by:

The Revd Canon Dr A B Bartlett
Joint Chair
Company number 06905282



LINDISFARNE COLLEGE OF THEOLOGY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

1. Principal accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS 102).

The principal accounting policies and estimation techniques are as follows.

Basis of preparation

LCT prepares its annual financial statements on the basis of historical cost except for investments which are shown at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

Taking into account the levels of unrestricted reserves, cash balances and anticipated spend over the coming 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when LCT is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.

The principal source of income of LCT is course fee income from Durham Diocesan Board of Finance and Newcastle Diocesan Board of Finance. These are recognised in the SOFA in the period in which they are receivable.

Other sundry income is recognised in the SOFA in the accounting period in which monies are receivable.

Resources expended

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category.

Cash flow statement

The trustees have taken advantage of the exemption in FRS 102 from including a cash flow statement in the financial statements on the grounds that LCT is a small entity.

Pensions

The LCT's staff are members of the Church Workers Pension Fund and Church of England Funded Pensions Scheme. The pension costs charged as resources expended represent the LCT's contributions payable in respect of the accounting period, in accordance with FRS 102. Deficit funding for the pension scheme to which LCT participates is accrued at current value within creditors.

Depreciation on other tangible fixed assets

Depreciation is provided in order to write off the cost (less any residual value) of other fixed assets over their currently expected useful economic lives at the following initial rates:-

<i>Computers</i>	<i>25% per annum straight line</i>
<i>Equipment and Furniture</i>	<i>20% per annum straight line</i>

Debtors

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

LINDISFARNE COLLEGE OF THEOLOGY LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

Cash at bank and in hand

Cash at bank and hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Critical accounting estimates and judgements

In the opinion of the Trustees there are no material estimates that impacts on the financial statements.

2 Diocesan course fee income	Unrestricted Funds £	Total Funds 2025	Total Funds 2024 £
Durham Diocesan Board of Finance	114,559	114,559	58,729
Newcastle Diocesan Board of Finance	33,800	33,800	36,248
	<u>148,359</u>	<u>148,359</u>	<u>94,977</u>

3 Costs of charitable activity by activity type	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Academic costs	296,784	-	296,784	303,035
Administration costs	98,571	-	98,571	63,305
Governance costs	175	-	175	11,984
Grants given	-	720	720	12,704
	<u>395,530</u>	<u>720</u>	<u>396,250</u>	<u>391,028</u>

4 Net expenditure for the year

This is stated after charging:

	2025 £	2024 £
Depreciation	308	210
Independent examination fee	2,010	1,920

LINDISFARNE COLLEGE OF THEOLOGY LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

5 Employee details

	2025	2024
	No	No
Academic staff	4.0	5.0
Administrative staff	2.0	2.0
	6.0	7.0

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2025	2024
	No	No
Academic staff	2.7	2.7
Administrative staff	1.6	1.6
	4.3	4.3

Total staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	195,423	186,198
Social security costs	22,403	17,109
Other pension costs	20,483	18,593
Movement in pension liability	-	-
	238,309	221,900

6 Trustees Remuneration and Expenses

No remuneration has been paid to any trustee in their capacity as a trustee (2024: £nil).

One trustee was reimbursed £75 for travel, subsistence and incidental costs incurred in undertaking the role (2024: £206).

LINDISFARNE COLLEGE OF THEOLOGY LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

7 Tangible Assets

	Computers, Equipment & Furniture £
At cost	
At 1 September 2024	6,274
Additions	398
At 31 August 2025	6,672
Accumulated depreciation	
At 1 September 2024	(5,644)
Charge for the year	(308)
At 31 August 2025	(5,952)
Net book value at 31 August 2025	720
Net book value at 31 August 2024	630

8 Investments

	Listed investments £
Within the United Kingdom	
At 1 September 2024	77,282
Revaluations	(228)
At 31 August 2025	77,054
Historic Cost at 31 August 2025	30,000

LINDISFARNE COLLEGE OF THEOLOGY LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

9 Debtors

	2025	2024
	£	£
Trade debtors	12,118	4,177
Prepayments and accrued income	2,142	10,200
	<u>14,260</u>	<u>14,377</u>

10 Creditors: amounts falling due within one year

	2025	2024
	£	£
Amounts falling due within one year		
Trade creditors	20,449	31,184
Other creditors	1,638	22,126
Accruals and deferred income	1,920	17,982
	<u>24,007</u>	<u>71,292</u>

11 Pensions

Lindisfarne College of Theology Ltd participates in two defined benefit pension schemes administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of LCOT and the other Responsible Bodies. One of these is the Church of England Funded Pensions Scheme for stipendiary clergy. The other is the Church Workers Pension Fund for lay staff.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £6,500 in 2025 (2024: £5,505), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2025, following the valuation results being agreed, the deficit contributions paid were £0 (2024: £0).

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 from 2013

LINDISFARNE COLLEGE OF THEOLOGY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

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.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% 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 December 2024 and 31 December 2025 is nil.

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

Lay Employees

LCT participates in the Church of England Pension Builder Scheme (PBS14 and Classic), part of the Church Workers Pension Fund. During the year to 31 August 2025, the LCT made contributions of £13,983 (2024: £13,088) and this has been taken as the pension cost shown in these accounts.

At 31st August 2025 LCT had 4 active members in PBS14 and 1 in Classic.

LINDISFARNE COLLEGE OF THEOLOGY LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

12 Movement in Funds

Summary of fund movements	Balance at 1 Sep 2024 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Aug 2025 £
Unrestricted Income Funds:					
General Funds	117,510	369,056	(395,530)	(228)	90,808
Restricted Funds	346	132	(720)	-	(242)
Total Funds	117,856	369,188	(396,250)	(228)	90,566

Represented by:

Analysis of net assets between funds

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
General Funds	77,774	13,034	-	90,808
Restricted Funds	-	(242)	-	(242)
Total Funds	77,774	12,792	-	90,566

Analysis of net assets between funds- previous year

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
General Funds	77,913	39,597	-	117,510
Restricted Funds	-	346	-	346
Total Funds	77,913	39,943	-	117,856

13 Related party transactions

There were no related party transactions in either period.

Accounts

Lindisfarne College of Theology Ltd

Trustees' Report & Financial Statements

Year ended 31 August 2024

Company no 06905282

Charity no 1136478

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Annual report

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The trustees, who are also directors for the purposes of company law, present their combined trustees' report and directors' report, together with the financial statements, for the year ended 31 August 2024.

Legal Objects

Lindisfarne College of Theology Ltd ("LCT") is the provider of part time non-residential IME1 (Initial Ministerial Education) training for Ordinands and Readers for the Dioceses of Durham and Newcastle. We will deliver this contract to the highest standards, and further develop the detail of our programmes to meet the emerging needs of the Dioceses of Newcastle and Durham students. We also have an increasing number of independent students and continuing students seeking higher level qualifications.

Aims and objectives

Our Mission

Lindisfarne exists to support the Church in the North East by encouraging discipleship in communities of Christian learning.

Our Aim

To advance the Christian religion by the promotion and delivery of education for discipleship, initial ministerial education, and continuing development for ordained and lay members within the region.

The Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the LCT. The trustees believe that, by promoting the work of Christian Churches, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the region as a whole and in its individual communities and parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Achievements in the year

LCT has continued to serve the Church in the North East by seeking to deliver high quality training to ordinands, readers and licensed lay ministers in training, and others training for authorised ministries (ALMOWs, LPMs, MEVs) as well as independent students. The training consists of academic and formational elements, centred around teaching the C of E's Common Awards modules at Undergraduate and Postgraduate levels for the academic programme, and a pattern of corporate prayer and worship on a weekly basis for the formational programme. Residential weekends through the year provide opportunity for various cohorts to experience more intense formational time, as well as continuing the academic programme. Ordinands also benefit from a week-long residential Easter School.

Staff changes in 2023-24

- Our new Director of Postgraduate Studies (Dr Caleb Gordon) took up his post in August 2023, replacing our previous temporary post-holder Dr Jeremy Bonner;
- Two other temporary part-time posts came to a conclusion, with the retirement of Alison Blackburn and the ending of our contract with Revd Dr Julia Candy, who returned to focusing on her work as a University Chaplain in Durham University;
- Our second Principal Revd Dr David Bryan retired, and we appointed our third Principal: Revd Dr Richard Briggs, who has considerable prior experience in theological education in the North East. This changeover occurred in August 2024;
- By 1 Sept 2024 the LCT staff consisted of a Principal (1.0 fte), a Director of Undergraduate Studies (1.0), a Director of Postgraduate Studies (0.7), an Academic Administrator (1.0), and a Business and Finance Director (0.6) – a total of 4.3 fte;

This year in particular:

- The college was assessed through the Church of England's 'Periodic External Review' mechanism, delivering a positive report that included areas of full confidence, and areas of 'confidence with qualifications' – as is normal for almost all Theological Education Institutions (TEI) PER reports. The points requiring development were gratefully received as pointers towards specific areas needing attention, but we noted that most of them were small points easily implemented. A refreshing of governance structures and processes is the main matter arising, and was already well attended to in the time period under review;
- In additional review, the C of E 'Common Awards' team offered a positive assessment of our delivery of Common Awards programmes, and an agreement was prepared toward continuing our validation arrangement with them;
- We diversified our programmes by introducing a new centrally-funded stream of 'Authorised Lay Ministers of the Word' in Durham Diocese. In its initial year this recruited four students, with options for them to study on an accredited or non-accredited pathway, and with specific cohort oversight under a designated tutor;
- Our other programmes continued with their own strengths: context-specific training on contextual learning pathways for those in ministerial training, with a focus on making our programme flexible enough to accommodate the needs of students of a wide variety of academic backgrounds and levels of prior educational achievement. Student feedback continues to suggest that this is an area in which LCT does well;
- Our student body has outgrown the residential facilities of the Emmaus Youth Village in Consett, with student numbers increasingly high, combined with the reduction in lecture room facilities at Emmaus. We therefore began to move some of our residential weekends to Ushaw Historic House outside Durham, the venue of the old Roman Catholic Ushaw Seminary;
- Record student recruitment towards the end of the year meant that we began the Sept 2024 programmes with an all-time record high number of students (86 were registered to begin the programmes from Sept 1, though usually a couple of students defer or withdraw);
- We invested in being part of ongoing local conversations about provision of theological and ministerial training in the North East, via conversations with Cranmer Hall. We anticipate further developments in this area in the next year or two;
- We took our ordinand cohort on an Easter School residential trip for a week to Corrymeela in Northern Ireland, for the purposes of studying peace and reconciliation ministry in situ;
- We developed our SpLD (Specific Learning Difficulties) provision, with cutting edge reflection on the nature and needs of such specific needs, and how best to respond to them with the provision of information and material in multiple formats;
- We celebrated our 15th anniversary with a pilgrimage to Lindisfarne Holy Island, inviting students and alumni to join us for the day;

Future plans

- A new Principal will bring inevitable reorganisation of some responsibilities among core staff, and the college is seeking to make a new full-time appointment as Director of Contextual Learning.
- We anticipate a rationalisation of expenditure on a range of issues – residential weekends and Easter schools, external teaching budget, and other costs. Comparison with other TEIs will enable a review of some of our costs and fee arrangements.
- We will move all teaching weekends to Ushaw Historic House for the year.
- In particular, we will review fees for independent students with a view to being closer to sector-wide fees
- We will seek to broaden the conversation of Northern stakeholders in theological education as we consider options for the future.
- Our advertising and publicity needs an overhaul, and we will look to revitalise and refresh this area.
- We will be seeking to recruit further experience to the LCT Board of Trustees, in response to the PER.
- In addition to maintaining our core course offerings, we will seek to develop a suite of 'Access Programmes' offering Foundation Awards for a range of entry-level students.
- We will be seeking new opportunities for external funding for designated projects and (potentially) posts.

Financial review

Overall financial position

Income totalled £303,614 (2023: £305,586) and expenditure amounted to £391,028 (2023: £336,197). The Statement of Financial Activities (SOFA) for the year shows net shortfall, before investment movements of £87,414 (2023: shortfall £30,611). The net movement in funds resulted in a decrease in total funds from £197,304 to £117,856.

Principal funding sources

In the year to 31 August 2024, 31% of our income came from diocesan course fees and of the remaining 69%, 46% was from Ministry Division Fees and 16% from other course fees.

Review of financial position

The balance sheet has decreased by £79,448 during the year. Trustees are satisfied with the year end result and financial position and have addressed several of the issues which contributed to a year where student numbers were not as high as hoped, and are comfortable that this trend will be reversed in the coming and future years.

Going concern

The trustees have considered the charity's financial sustainability over the next financial year and beyond. As discussed above, the charity retains a level of reserves which would help to mitigate any immediate financial pressures and manage anticipated cashflow needs in the coming year.

The present financial position is further supported by a commitment from the Dioceses to maintain the current relationship on an ongoing basis.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

LCT currently has reserves totalling £117,856, of which £117,510 are free reserves (unrestricted reserves). The priority has been to build towards a position where it has free reserves equivalent to at least four months' employment costs of its direct employees and also accommodation costs. The value of free reserves required is a minimum of £72,413. The trustees are satisfied that the current level of reserves is satisfactory bearing in mind the current funding climate, with the assurance of its partners in the event of lower student numbers than required as per contracts.

Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

Structure and Governance

LCT is governed by the provisions contained within its Memorandum and Articles of Association, the requirement of its partner institutions and other statutory and charity laws.

The statutory governing body also known as the Board of Trustees, normally meets four times a year.

LCT was incorporated on 14 May 2009 as a limited company (No. 06905282) and its governing documents are the Memorandum and Articles of Association. LCT is registered with the Charity Commissioners (No. 1136478). Revised Articles of Association were adopted on 25th May 2017.

Every member has a personal limited liability to £10 under their guarantee as company members in the event of it being wound up.

Decision-making structure

The Board of trustees are responsible for the vision, strategy, and policy of LCT.

The Board has delegated responsibility for the day-to-day management of the company to the Principal, working with the Chair. This includes:

- Advising on action needed to raise the income necessary to finance expenditure;
- Advising founder members of the financial aspects of its policy and on any other matters referred to it;
- Preparation of an annual budget;
- Budgetary control within the approved budget.

Appointment of Board of Trustees

The trustees are members of the Board (see page 5). All trustees are appointed as per the Articles of Association. Trustees receive on-going training, as appropriate.

Sub-committee structure

In accordance with clause 40 of the Articles of Association, the Board of trustees has established one sub-committee the Board of Studies and the TEI Management Committee for the Common Awards programmes. The functions of the Board of Studies are to:

- Make recommendations to the staff about addressing student and tutor needs;
- Make recommendations to the Board of Examiners about awards;
- Make recommendations to the BA in Theology, Ministry and Mission (BATMM) Joint Working Group about operational issues in the Initial Ministerial Education programme;
- Encourage consistency in marking;
- Handle appeals from and about students and tutors;
- Determine, where appropriate, whether students need to re-present assignments or re-take particular modules.

Trustees' responsibilities

The Board (who are also directors of Lindisfarne College of Theology for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires that the Board are to prepare financial statements for each financial year. Under company law the Board must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 operation.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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

Related parties

The trustees acknowledge that related party transactions may occur.

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 charities nor that they are liable to invalidation, but transparency is important and therefore information about such transactions is necessary.

Connected charities

Following the adoption of the revised Articles of Association in May 2017, the trustees consider there are no connected charities.

Pension scheme

The Church of England Pensions Board is responsible for the Clergy Pension Fund and the Church Workers Pension Fund and it is to this body that the LCT pays retirement benefit contributions for its employees (see note 12 to the accounts).

Risk management

The Board confirm that the major risks to which the LCT are exposed, as identified by the Board and staff, have been reviewed and that systems and procedures have been established to manage those risks. The Board will ensure that risks are reviewed and managed as part of the risk management strategy.

Appointment of Independent Examiner

UNW LLP have been re-appointed as Independent examiner

By Order of the Board

The Revd Canon Dr A B Bartlett
Joint Acting Chair

16th January 2025

Administrative Details

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Revd Canon Dr A B Bartlett (Joint Acting Chair)
The Revd S McCormack (Joint Acting Chair)
The Revd Dr D E G Whiting (left 10.10.2024)
A J Hewitt
Ven R A Wood Archdeacon of Northumberland
S Morgan
Revd K J Bagnall

Independent examiner

UNW LLP
Chartered Accountants
Citygate, St. James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Co-operative Bank Plc
PO Box 250, Skelmersdale
WN8 6WT

Solicitors

Sintons LLP
The Cube, Barrack Road
Newcastle upon Tyne
NE4 6DB

Registered Office

Church House, St John's Terrace
North Shields, NE29 6HS
(Telephone: 01912 704144) (Fax: 01912 704101)
(Website: www.lindisfarnect.org)
(Email: enquiries@lindisfarnect.org)

Company registered number: 06905282

Registered charity number: 1136478

Independent examiner's report to the trustees of Lindisfarne College of Theology ('the company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2024.

This report is made solely to the company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anne Hallowell BSc FCA DChA

UNW LLP

Newcastle upon Tyne

Date: 16 January 2025

LINDISFARNE COLLEGE OF THEOLOGY LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

		Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	Note	£	£	£	£
Income from					
Diocesan course fees	2	94,977	-	94,977	212,530
Income from charitable activities:					
Ministry Division Fees		140,574	-	140,574	-
Other income		12,983	228	13,211	50,048
Other course fees		50,892	-	50,892	40,839
Bank Interest		3,960	-	3,960	2,169
Total income		<u>303,386</u>	<u>228</u>	<u>303,614</u>	<u>305,586</u>
Expenditure on					
Charitable activities	3	390,028	1,000	391,028	336,197
Total expenditure		<u>390,028</u>	<u>1,000</u>	<u>391,028</u>	<u>336,197</u>
Net expenditure before investment (losses)/gains	4	(86,642)	(772)	(87,414)	(30,611)
Net gain/(loss) on investment					
Unrealised gain/(loss) on investment assets	8	<u>7,966</u>	<u>-</u>	<u>7,966</u>	<u>765</u>
Net expenditure		(78,676)	(772)	(79,448)	(29,846)
Reconciliation of funds					
Total funds brought forward		196,186	1,118	197,304	227,150
Total funds as at 31 August 2024	13	<u>117,510</u>	<u>346</u>	<u>117,856</u>	<u>197,304</u>

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
BALANCE SHEET AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	7	630	-
Investments	8	<u>77,283</u>	<u>69,316</u>
		77,913	69,316
Current assets			
Debtors	9	14,377	20,489
Cash at bank		<u>96,858</u>	<u>131,022</u>
		111,235	151,511
Creditors: amounts falling due within one year	10	(71,292)	(23,523)
Net current assets		<u>39,943</u>	<u>127,988</u>
Total assets less current liabilities		117,856	197,304
Net assets		<u>117,856</u>	<u>197,304</u>
The funds of the charity			
Unrestricted income funds	12	117,510	196,557
Restricted income funds	12	346	747
Total Funds		<u>117,856</u>	<u>197,304</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the members of the Board on the 16th January 2025 and are signed on their behalf by:

The Revd Canon Dr A B Bartlett
Joint Acting Chair
Company number 06905282

1. Principal accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS 102).

The principal accounting policies and estimation techniques are as follows.

Basis of preparation

LCT prepares its annual financial statements on the basis of historical cost except for investments which are shown at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

Taking into account the levels of unrestricted reserves, cash balances and anticipated spend over the coming 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when LCT is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.

The principal source of income of LCT is course fee income from Durham Diocesan Board of Finance and Newcastle Diocesan Board of Finance. These are recognised in the SOFA in the period in which they are receivable.

Other sundry income is recognised in the SOFA in the accounting period in which monies are receivable.

Resources expended

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category.

Cash flow statement

The trustees have taken advantage of the exemption in FRS 102 from including a cash flow statement in the financial statements on the grounds that LCT is a small entity.

Pensions

The LCT's staff are members of the Church Workers Pension Fund and Church of England Funded Pensions Scheme. The pension costs charged as resources expended represent the LCT's contributions payable in respect of the accounting period, in accordance with FRS 102. Deficit funding for the pension scheme to which LCT participates is accrued at current value within creditors.

Depreciation on other tangible fixed assets

Depreciation is provided in order to write off the cost (less any residual value) of other fixed assets over their currently expected useful economic lives at the following initial rates:-

<i>Computers</i>	<i>25% per annum straight line</i>
<i>Equipment and Furniture</i>	<i>20% per annum straight line</i>

Debtors

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

Cash at bank and in hand

Cash at bank and hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Critical accounting estimates and judgements

In the opinion of the Trustees there are no material estimates that impacts on the financial statements.

2 Diocesan course fee income	Unrestricted Funds £	Total Funds 2024	Total Funds 2023 £
Durham Diocesan Board of Finance	58,729	58,729	156,090
Newcastle Diocesan Board of Finance	36,248	36,248	56,440
	94,977	94,977	212,530

3 Costs of charitable activity by activity type	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Academic costs	303,035	-	303,035	273,817
Administration costs	63,305	-	63,305	58,899
Governance costs	11,984	-	11,984	2,881
Grants given	11,704	1,000	12,704	600
	390,028	1,000	391,028	336,197

4 Net expenditure for the year

This is stated after charging:

	2024 £	2023 £
Depreciation	210	351
Independent examination fee	1,920	1,710

5 Employee details

The average headcount during the year was as follows

	2024	2023
	No	No
Academic staff	5.0	3.0
Administrative staff	2.0	2.9
	7.0	5.9

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2024	2023
	No	No
Academic staff	2.7	2.0
Administrative staff	1.6	1.2
	4.3	3.2

Total staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	186,198	158,938
Social security costs	17,109	13,829
Other pension costs	18,593	14,971
Movement in pension liability	-	-
	221,900	187,738

6 Trustees Remuneration and Expenses

No remuneration has been paid to any trustee in their capacity as a trustee (2023: £nil).

One trustee was reimbursed £206 for travel, subsistence and incidental costs incurred in undertaking the role (2023: £nil).

7 Tangible Assets

	Computers, Equipment & Furniture
	£
At cost	
At 1 September 2023	5,434
Additions	840
At 31 August 2024	6,274
Accumulated depreciation	
At 1 September 2023	(5,434)
Charge for the year	(210)
At 31 August 2024	(5,644)
Net book value at 31 August 2024	630
Net book value at 31 August 2023	0

8 Investments

	Listed investments
	£
Within the United Kingdom	
At 1 September 2023	69,316
Revaluations	7,966
At 31 August 2024	77,282
Historic Cost at 31 August 2024	30,000

9 Debtors

	2024	2023
	£	£
Trade debtors	4,177	13,777
Prepayments and accrued income	10,200	6,712
	14,377	20,489

10 Creditors: amounts falling due within one year

	2024	2023
	£	£
Amounts falling due within one year		
Trade creditors	31,184	8,120
Other creditors	22,126	3,809
Accruals and deferred income	17,982	11,594
	71,292	23,523

11 Pensions

Lindisfarne College of Theology Ltd 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 scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £5,505 in 2024 (2023: £4,871), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2024, following the valuation results being agreed, the deficit contributions paid were £0 (2023: £0).

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 from 2013 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.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% 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 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2023	2022
Balance sheet liability at 1 January	-	2,000
Deficit contribution paid	-	-1,000
Interest cost (recognised in SoFA)	-	0
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-1,000
Balance sheet liability at 31 December	-	0

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

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2023	December 2022	December 2021
Discount rate	n/a	n/a	0.0% pa
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	-1.5% pa

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

Lay Employees

LCT participates in the Church of England Pension Builder Scheme (PBS14 and Classic), part of the Church Workers Pension Fund. During the year to 31 August 2024, the LCT made contributions of £13,088 (2023: £11,100) and this has been taken as the pension cost shown in these accounts.

At 31st August 2024 LCT had 3 active members in PBS14 and 1 in Classic.

12 Movement in Funds

Summary of fund movements	Balance at 1 Sep 2023 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Aug 2024 £
Unrestricted Income Funds:					
General Funds	196,186	303,386	(390,028)	7,966	117,510
Restricted Funds	1,118	228	(1,000)	-	346
Total Funds	197,304	303,614	(391,028)	7,966	117,856

Represented by:

Analysis of net assets between funds

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
General Funds	77,913	39,597	-	117,510
Restricted Funds	-	346	-	346
Total Funds	77,913	39,943	-	117,856

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
General Funds	69,316	127,241	-	196,557
Restricted Funds	-	747	-	747
Total Funds	69,316	127,988	-	197,304

13 Related party transactions

There were no related party transactions in either period.

Accounts

Lindisfarne College of Theology Ltd

Trustees' Report & Financial Statements

Year ended 31 August 2023

Company no 06905282

Charity no 1136478

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Annual report

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LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also directors for the purposes of company law, present their combined trustees' report and directors' report, together with the financial statements, for the year ended 31 August 2023.

Legal Objects

Lindisfarne College of Theology Ltd ("LCT") is the provider of part time non-residential IME1 (Initial Ministerial Education) training for Ordinands and Readers for the Dioceses of Durham and Newcastle. We will deliver this contract to the highest standards, and further develop the detail of our programmes to meet the emerging needs of the Dioceses of Newcastle and Durham students. We also have an increasing number of independent students and continuing students seeking higher level qualifications.

Aims and objectives

Our Mission

Lindisfarne exists to support the Church in the North East by encouraging discipleship in communities of Christian learning.

Our Aim

To advance the Christian religion by the promotion and delivery of education for discipleship, initial ministerial education, and continuing development for ordained and lay members within the region.

The Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the LCT. The trustees believe that, by promoting the work of Christian Churches, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the region as a whole and in its individual communities and parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Achievements in the year

LCT continues to be an established vibrant and confident provider of theological opportunity, education and training, offering a range of high-quality, well-managed programmes.

Major achievements and key activities in the year include:

- continued high standards of academic achievement;
- continued to offer the Common Awards PG/MA Programmes (now in its fourth year);
- providing an academic programme held in high regard by the National Ministry Team of the Church of England Durham University's Common Awards;
- providing a programme of training for ministry that is deeply valued by both Dioceses of Newcastle and Durham;
- establishing a new 2-year pathway for Licensed Lay Ministers in Durham, followed by 2 years of post-licensing training;
- joined in with an initiative across the Northern Province to foster vocations among those disadvantaged and among people of UKME backgrounds;
- the addition of a new strand of training for ALMOW / Explorer Pathway for the Diocese of Durham;
- growing the core teaching staff and the team of committed associate and personal tutors;
- responding to Living in Love and Faith, and From Lament to Action, and placing them at the heart of all we do;
- building the Environmental Response Group and achieving a Gold Award from A Rocha;
- successfully delivering of the Pastoral Ministry Course in the Diocese of Durham again, which included training Lay Chaplains;
- leading the students on an Easter Pilgrimage to the Holy Land
- offering the 6th Lindisfarne Lecture programme, now to current members of the College as well to the Alumni;

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

- continuing to grow the Alumni network who organized another social event as part of an annual programme, and further supported the work of the College more effectively.

Future plans

Lindisfarne College of Theology (LCT) continues to be the theological teaching partner of choice for the Dioceses in respect of non-residential training for ministry. We will seek to continue to meet the needs of these commissioning partners in delivering high quality ministerial training for Readers and Ordinands that is in line with the Church of England's national guidelines for ministerial training. This will include seeking new opportunities to provide training for discrete lay ministries and education for discipleship, strengthening our financial position.

LCT will continue to focus on these four core areas:

- being known for outstanding theological training;
- retaining our teaching capacity;
- appoint a new Principal who can build on what has been achieved and lead the College into the next chapter of its life.
- diversifying the range of courses offered so that we can respond to the need for a greater range of ministries and support lay training more widely;

During the next 12 months we will:

- celebrate our 15th anniversary and say farewell to the current Principal;
- continue to strengthen and build on our relationships with both Dioceses, and endeavour to provide a closer relationship with them as their preferred training organisation for ministerial students and theological learning;
- work with other local TEI's in particular Cranmer Hall to explore improved collaboration for a combined training offer in the region, particularly in relation to full-time context-based training for ministry;
- continue to review our development and financial plans, including plans to generate additional independent student numbers;
- take our Ordinands on a pilgrimage to Corrymeela in N. Ireland;
- grow our SEND and Diversity support so that students of all backgrounds can feel supported and valued;
- continue to build our alumni community and strengthen our community identity and spirit to increase fundraising, and also increasing our grant funding applications;
- explore new opportunities within our existing markets for a broader provision of education for discipleship/ministry within the Church of England. The channels are in place to do this, and we are sufficiently flexible and versatile to shape our organisation to meet these new challenges, which, we believe, reflect a fundamental shift in the way the Church will work in the future.

Financial review

Overall financial position

Income totalled £305,586 (2022: £255,043) and expenditure amounted to £336,197 (2022: £301,066). The Statement of Financial Activities (SOFA) for the year shows net shortfall of £29,846 (2022: shortfall £47,401). The net movement in funds resulted in a decrease in total funds from £227,150 to £197,304.

Principal funding sources

In the year to 31 August 2023, 66% of our income came from diocesan course fees and of the remaining 34%, 17% was from other course fees.

Review of financial position

The balance sheet has decreased by £29,846 during the year. Trustees are satisfied with the year end result and financial position and have addressed several of the issues which contributed to a year where student numbers were not as high as hoped, and are comfortable that this trend will be reversed in the coming and future years.

Going concern

After the impact of Covid-19, the trustees have considered the charity's financial sustainability over the next financial year and beyond. As discussed above, the charity retains a level of reserves which would help to mitigate any immediate financial pressures and manage anticipated cashflow needs in the coming year.

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The present financial position is further supported by a commitment from the Dioceses to maintain the current relationship on an ongoing basis.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

LCT currently has reserves totalling £197,304, of which £196,186 are free reserves (unrestricted reserves). The priority has been to build towards a position where it has free reserves equivalent to at least four months' employment costs of its direct employees and also accommodation costs. The value of free reserves required is a minimum of £73,449. The trustees are satisfied that the current level of reserves is satisfactory bearing in mind the current funding climate, with the assurance of its partners in the event of lower student numbers than required as per contracts.

Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

Structure and Governance

LCT is governed by the provisions contained within its Memorandum and Articles of Association, the requirement of its partner institutions and other statutory and charity laws.

The statutory governing body also known as the Board of Trustees, normally meets four times a year.

LCT was incorporated on 14 May 2009 as a limited company (No. 06905282) and its governing documents are the Memorandum and Articles of Association. LCT is registered with the Charity Commissioners (No. 1136478). Revised Articles of Association were adopted on 25th May 2017.

Every member has a personal limited liability to £10 under their guarantee as company members in the event of it being wound up.

Decision-making structure

The Board of trustees are responsible for the vision, strategy, and policy of LCT.

The Board has delegated responsibility for the day-to-day management of the company to the Principal, working with the Chair. This includes:

- Advising on action needed to raise the income necessary to finance expenditure;
- Advising founder members of the financial aspects of its policy and on any other matters referred to it;
- Preparation of an annual budget;
- Budgetary control within the approved budget.

Appointment of Board of Trustees

The trustees are members of the Board (see page 5). All trustees are appointed as per the Articles of Association. Trustees receive on-going training, as appropriate.

Sub-committee structure

In accordance with clause 40 of the Articles of Association, the Board of trustees has established one sub-committee the Board of Studies and the TEI Management Committee for the Common Awards programmes. The functions of the Board of Studies are to:

- Make recommendations to the staff about addressing student and tutor needs;
- Make recommendations to the Board of Examiners about awards;
- Make recommendations to the BA in Theology, Ministry and Mission (BATMM) Joint Working Group about operational issues in the Initial Ministerial Education programme;

LINDISFARNE COLLEGE OF THEOLOGY LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

- Encourage consistency in marking;
- Handle appeals from and about students and tutors;
- Determine, where appropriate, whether students need to re-present assignments or re-take particular modules.

Trustees' responsibilities

The Board (who are also directors of Lindisfarne College of Theology for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires that the Board are to prepare financial statements for each financial year. Under company law the Board must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 operation.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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

Related parties

The trustees acknowledge that related party transactions may occur.

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 charities nor that they are liable to invalidation, but transparency is important and therefore information about such transactions is necessary.

Connected charities

Following the adoption of the revised Articles of Association in May 2017, the trustees consider there are no connected charities.

Pension scheme

The Church of England Pensions Board is responsible for the Clergy Pension Fund and the Church Workers Pension Fund and it is to this body that the LCT pays retirement benefit contributions for its employees (see note 12 to the accounts).

Risk management

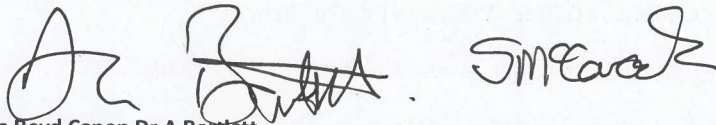
The Board confirm that the major risks to which the LCT are exposed, as identified by the Board and staff, have been reviewed and that systems and procedures have been established to manage those risks. The Board will ensure that risks are reviewed and managed as part of the risk management strategy.

Appointment of Independent Examiner

UNW LLP have been re-appointed as Independent examiner

LINDISFARNE COLLEGE OF THEOLOGY LTD
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

By Order of the Board


The Revd Canon Dr A Bartlett
Joint Acting Chair

15th January 2024

Administrative Details

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Revd Canon Dr. A Bartlett (Joint Acting Chair)
The Revd S McCormack (Joint Acting Chair)
The Revd Dr D E G Whiting
J Hewitt
Ven Rachel Wood Archdeacon of Northumberland (from 03/01/2023)
S Morgan (from 03/01/2023)
Revd K Bagnall (from 12/05/2023)

Independent examiner

UNW LLP
Chartered Accountants
Citygate, St. James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Co-operative Bank Plc
PO Box 250, Skelmersdale
WN8 6WT

Solicitors

Sintons LLP
The Cube, Barrack Road
Newcastle upon Tyne
NE4 6DB

Registered Office

Church House, St John's Terrace
North Shields, NE29 6HS
(Telephone: 01912 704144) (Fax: 01912 704101)
(Website: www.lindisfarnect.org)
(Email: enquiries@lindisfarnect.org)

Company registered number: 06905282

Registered charity number: 1136478

LINDISFARNE COLLEGE OF THEOLOGY LTD

INDEPENDENT EXAMINERS REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 AUGUST 2022

Independent examiner's report to the trustees of Lindisfarne College of Theology ('the company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2023.

This report is made solely to the company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Anne Hallowell BSc FCA DChA
UNW LLP
Newcastle upon Tyne
Date: 15 January 2024

LINDISFARNE COLLEGE OF THEOLOGY LTD
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from					
Diocesan course fees	2	212,530	-	212,530	193,644
Income from charitable activities:					
Other income		49,819	229	50,048	8,526
Other course fees		40,839	-	40,839	52,656
Bank Interest		2,169	-	2,169	217
Total income		<u>305,357</u>	<u>229</u>	<u>305,586</u>	<u>255,043</u>
Expenditure on					
Charitable activities	3	335,597	600	336,197	301,066
Total expenditure		<u>335,597</u>	<u>600</u>	<u>336,197</u>	<u>301,066</u>
Net expenditure before investment (losses)/gains	4	(30,240)	(371)	(30,611)	(46,023)
Net gain/(loss) on investment					
Unrealised gain/(loss) on investment assets	8	765	-	765	(1,378)
Net expenditure		<u>(29,475)</u>	<u>(371)</u>	<u>(29,846)</u>	<u>(47,401)</u>
Reconciliation of funds					
Total funds brought forward		225,661	1,489	227,150	274,551
Total funds as at 31 August 2023	13	<u>196,186</u>	<u>1,118</u>	<u>197,304</u>	<u>227,150</u>

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
BALANCE SHEET AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	7	-	351
Investments	8	<u>69,316</u>	<u>68,551</u>
		69,316	68,902
Current assets			
Debtors	9	20,489	-
Cash at bank		<u>131,022</u>	<u>179,536</u>
		151,511	179,536
Creditors: amounts falling due within one year	10	(23,523)	(21,288)
Net current assets		<u>127,988</u>	<u>158,248</u>
Total assets less current liabilities		197,304	227,150
Net assets		<u>197,304</u>	<u>227,150</u>
The funds of the charity			
Unrestricted income funds(including investments revaluation reserve of £38,552 (2021: £39,930)	13	196,186	225,661
Restricted income funds	13	1,118	1,489
Total Funds		<u>197,304</u>	<u>227,150</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

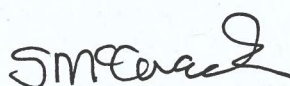
The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the members of the Board on the 15th January 2024 and are signed on their behalf by:



The Revd Canon Dr A Bartlett
Joint Acting Chair
Company number 06905282



LINDISFARNE COLLEGE OF THEOLOGY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

1. Principal accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS 102).

The principal accounting policies and estimation techniques are as follows.

Basis of preparation

LCT prepares its annual financial statements on the basis of historical cost except for investments which are shown at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

Taking into account the levels of unrestricted reserves, cash balances and anticipated spend over the coming 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when LCT is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.

The principal source of income of LCT is course fee income from Durham Diocesan Board of Finance and Newcastle Diocesan Board of Finance. These are recognised in the SOFA in the period in which they are receivable.

Other sundry income is recognised in the SOFA in the accounting period in which monies are receivable.

Resources expended

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 102 from including a cash flow statement in the financial statements on the grounds that LCT is a small entity.

Pensions

The LCT's staff are members of the Church Workers Pension Fund and Church of England Funded Pensions Scheme. The pension costs charged as resources expended represent the LCT's contributions payable in respect of the accounting period, in accordance with FRS 102. Deficit funding for the pension scheme to which LCT participates is accrued at current value within creditors.

Depreciation on other tangible fixed assets

Depreciation is provided in order to write off the cost (less any residual value) of other fixed assets over their currently expected useful economic lives at the following initial rates:-

<i>Computers</i>	<i>25% per annum straight line</i>
<i>Furniture and office equipment</i>	<i>20% per annum straight line</i>

Debtors

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

LINDISFARNE COLLEGE OF THEOLOGY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

Cash at bank and in hand

Cash at bank and hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Critical accounting estimates and judgements

In the opinion of the Trustees there are no material estimates that impacts on the financial statements.

2 Diocesan course fee income	Unrestricted Funds £	Total Funds 2023	Total Funds 2022 £
Durham Diocesan Board of Finance	156,090	156,090	132,659
Newcastle Diocesan Board of Finance	56,440	56,440	45,119
	212,530	212,530	177,778

3 Costs of charitable activity by activity type	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Academic costs	273,817	-	273,817	239,754
Administration costs	58,899	-	58,899	57,506
Governance costs	2,881	-	2,881	2,904
Grants given	-	600	600	902
	335,597	600	336,197	301,066

4 Net expenditure for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	351	326
Independent examination fee	1,710	1,710

5 Employee details

Employee details

The average headcount during the year was as follows

	2023	2022
	No	No
Academic staff	3.0	3.0
Administrative staff	2.9	2.9
	5.9	5.9

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2023	2022
	No	No
Academic staff	2.0	2.0
Administrative staff	1.2	1.2
	3.2	3.2

Total staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	158,938	151,402
Social security costs	13,829	14,577
Other pension costs	14,971	14,822
Movement in pension liability	-	-
	187,738	180,801

6 Trustees Remuneration and Expenses

No remuneration has been paid to any trustee in their capacity as a trustee (2022: £nil).

No trustee was reimbursed for travel, subsistence and incidental costs incurred in undertaking the role (2022: £nil).

7 Tangible Assets

	Computers, Equipment & Furniture
	£
At cost	
At 1 September 2022	5,434
At 31 August 2023	5,434
Accumulated depreciation	
At 1 September 2022	(5,083)
Charge for the year	(351)
At 31 August 2023	(5,434)
Net book value at 31 August 2023	-
Net book value at 31 August 2022	351

8 Investments

	Listed investments
	£
Within the United Kingdom	
At 1 September 2022	68,551
Revaluations	765
At 31 August 2023	69,316
Historic Cost at 31 August 2023	30,000

9 Debtors

	2023	2022
	£	£
Trade debtors	13,777	-
Prepayments and accrued income	6,712	-
	20,489	-

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Amounts falling due within one year		
Trade creditors	8,120	7,101
Employee/ Pension Creditors	3,809	3,481
Accruals and deferred income	11,594	8,706
Pension liability	-	2,000
	23,523	21,288

11 Pensions

Lindisfarne College of Theology Ltd 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 scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2023: **£4,871**, 2022: **£4,775**), plus the figures in relation to the Scheme's deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of **£3,871** for 2023 (2022: **£4,775**).

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.

LINDISFARNE COLLEGE OF THEOLOGY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

As at 31 December 2021 and 31 December 2022 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 movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2022	2021
Balance sheet liability at 1 January	2,000	4,000
Deficit contribution paid	-1,000	-2,000
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability* (recognised in SoFA)	-1,000	0
Balance sheet liability at 31 December	0	2,000

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

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	-1.5% pa	1.6% pa

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

Lay Employees

LCT participates in the Church of England Pension Builder Scheme (PBS14 and Classic), part of the Church Workers Pension Fund. During the year to 31 August 2023, the LCT made contributions of £11,100 (2022: 10,047) and this has been taken as the pension cost shown in these accounts.

At 31st August 2023 LCT had 5 active members in PBS14 and 1 in Classic.

12 Movement in Funds

Summary of fund movements

	Balance at 1 Sep 2022	Incoming resources	Outgoing resources	Gains and losses	Balance at 31 Aug 2023
	£	£	£	£	£
Unrestricted Income Funds:					
General Funds	225,661	305,357	(335,597)	765	196,186
Restricted Funds	1,489	229	(600)	-	1,118
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Represented by:

Analysis of net assets between funds

	Fixed assets	Net current assets	Long term liabilities	Total
	£	£	£	£
Unrestricted Income Funds:				
General Funds	69,316	126,870	-	196,186
Restricted Funds	-	1,118	-	1,118
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Analysis of net assets between funds- previous year

	Fixed assets	Net current assets	Long term liabilities	Total
	£	£	£	£
Unrestricted Income Funds:				
General Funds	68,902	156,759	0	225,661
Restricted Funds	-	1,489	-	1,489
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	68,902	158,248	0	227,150

13 Related party transactions

There were no related party transactions in either period.

Accounts

Lindisfarne College of Theology Limited

Trustees' Report & Financial Statements

Year ended 31 August 2022

Company no 06905282

Charity no 1136478

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Annual report

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The trustees, who are also directors for the purposes of company law, present their combined trustees' report and directors' report, together with the financial statements, for the year ended 31 August 2022.

Legal Objects

Lindisfarne College of Theology Limited ("LCT") is the provider of part time non-residential IME1 (Initial Ministerial Education) training for Ordinands and Readers for the Dioceses of Durham and Newcastle. We will deliver this contract to the highest standards, and further develop the detail of our programmes to meet the emerging needs of the Dioceses of Newcastle and Durham students. We also have an increasing number of independent students and continuing students seeking higher level qualifications.

Aims and objectives

Our Mission

Lindisfarne exists to support the Church in the North East by encouraging discipleship in communities of Christian learning.

Our Aim

To advance the Christian religion by the promotion and delivery of education for discipleship, initial ministerial education, and continuing development for ordained and lay members within the region.

The Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the LCT. The trustees believe that, by promoting the work of Christian Churches, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the region as a whole and in its individual communities and parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Achievements in the year

LCT continues to be an established vibrant and confident provider of theological opportunity, education and training, offering a range of high-quality, well-managed programmes.

Major achievements and key activities in the year include:

- continued high standards of academic achievement;
- the growth of a Common Awards MA Programme (now in its third year);
- providing an academic programme held in high regard by the National Ministry Team of the Church of England Durham University's Common Awards;
- providing a programme of training for ministry that is deeply valued by both Dioceses of Newcastle and Durham;
- establishing a new 2 year pathway for Licensed Lay Ministers, and the addition of a new strand of training for ALMOW ministry for the Diocese of Durham;
- growing the core teaching staff and the team of committed associate and personal tutors;
- responding to Living in Love and Faith, and From Lament to Action, and placing them at the heart of all we do;
- exploring a Full Time Context Based pathway training option with the Diocese of Newcastle;
- exploring Additional Vocational Pathways with the Northern Province;
- building the Environmental Response Group and achieving a Bronze Award from A Rocha;
- successfully delivering of the Pastoral Ministry Course in the Diocese of Durham again, which included training Lay Chaplains;
- leading the students on an Easter Pilgrimage to Auschwitz/Birkenau;
- offering the 5th Lindisfarne Lecture programme;

- growing the function of the alumni network who organized their first social event as part of an annual programme, and further support the work of the College more effectively.

Future plans

Lindisfarne College of Theology (LCT) continues to be the theological teaching partner of choice for the Dioceses in respect of non-residential training for ministry. We will seek to continue to meet the needs of these commissioning partners in delivering high quality ministerial training for Readers and Ordinands that is in line with the Church of England's national guidelines for ministerial training. This will include seeking new opportunities to provide training for discrete lay ministries and education for discipleship, strengthening our financial position.

LCT will continue to focus on these four core areas:

- being known for outstanding theological training;
- retaining our teaching capacity;
- diversifying the range of courses offered so that we can respond to the need for a greater range of ministries and support lay training more widely;

During the next 12 months we will:

- strengthen and build on our relationships with both Dioceses, and endeavour to provide a closer relationship with them as their preferred training organisation for ministerial students and theological learning;
- work with other local TEI's in particular Cranmer Hall to explore improved collaboration for a combined training offer in the region, particularly in relation to full-time context-based training for ministry;
- continue to review our development and financial plans, including plans to generate additional independent student numbers;
- take our Ordinands on a pilgrimage to the Holy Land to bring to life the world of scripture.
- grow our SEND and Diversity support so that students of all backgrounds can feel supported and valued
- continue to build our alumni community and strengthen our community identity and spirit to increase fundraising, and also increasing our grant funding applications;
- continue to participate in the Church of England Ministerial Experience Volunteer (MEV) in the Diocese of Durham and the Ministry Experience Scheme (MES) in the Diocese of Newcastle;
- explore new opportunities within our existing markets for a broader provision of education for discipleship/ministry within the Church of England. The channels are in place to do this, and we are sufficiently flexible and versatile to shape our organisation to meet these new challenges, which, we believe, reflect a fundamental shift in the way the Church will work in the future.

Financial review

Overall financial position

Income totalled £255,043 (2021: £281,150) and expenditure amounted to £301,066 (2021: £252,843). The Statement of Financial Activities (SOFA) for the year shows net shortfall of £47,401 (2021: surplus £40,417). The net movement in funds resulted in an decrease in total funds from £274,551 to £227,150.

Principal funding sources

In the year to 31 August 2022, 76% of our income came from diocesan course fees and of the remaining 24%, 21% was from other course fees.

Review of financial position

The balance sheet has decreased by £47,401 during the year. Trustees are satisfied with the year end result and financial position and have addressed several of the issues which contributed to a year where student numbers were not as high as hoped, and are comfortable that this trend will be reversed in the coming and future years.

Going concern

After the impact of Covid-19, the trustees have considered the charity's financial sustainability over the next financial year and beyond. As discussed above, the charity retains a level of reserves which would help to mitigate any immediate financial pressures and manage anticipated cashflow needs in the coming year.

The present financial position is further supported by a commitment from the Dioceses to maintain the current relationship on an ongoing basis.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

LCT currently has reserves totalling £227,150, of which £225,310 are free reserves (unrestricted reserves excluding fixed assets). The priority has been to build towards a position where it has free reserves equivalent to at least four months' employment costs of its direct employees and also accommodation costs. The value of free reserves required is a minimum of £61,666. The trustees are satisfied that the current level of reserves is satisfactory bearing in mind the current funding climate, with the assurance of its partners in the event of lower student numbers than required as per contracts.

Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

Structure and Governance

LCT is governed by the provisions contained within its Memorandum and Articles of Association, the requirement of its partner institutions and other statutory and charity laws.

The statutory governing body also known as the Board of Trustees, normally meets four times a year.

LCT was incorporated on 14 May 2009 as a limited company (No. 06905282) and its governing documents are the Memorandum and Articles of Association. LCT is registered with the Charity Commissioners (No. 1136478). Revised Articles of Association were adopted on 25th May 2017.

Every member has a personal limited liability to £10 under their guarantee as company members in the event of it being wound up.

Decision-making structure

The Board of trustees are responsible for the vision, strategy, and policy of LCT.

The Board has delegated responsibility for the day-to-day management of the company to the Principal, working with the Chair. This includes:

- Advising on action needed to raise the income necessary to finance expenditure;
- Advising founder members of the financial aspects of its policy and on any other matters referred to it;
- Preparation of an annual budget;
- Budgetary control within the approved budget.

Appointment of Board of Trustees

The trustees are members of the Board (see page 5). All trustees are appointed as per the Articles of Association. Trustees receive on-going training, as appropriate.

Sub-committee structure

In accordance with clause 40 of the Articles of Association, the Board of trustees has established one sub-committee the Board of Studies and the TEI Management Committee for the Common Awards programmes. The functions of the Board of Studies are to:

- Make recommendations to the staff about addressing student and tutor needs;
- Make recommendations to the Board of Examiners about awards;

- Make recommendations to the BA in Theology, Ministry and Mission (BATMM) Joint Working Group about operational issues in the Initial Ministerial Education programme;
- Encourage consistency in marking;
- Handle appeals from and about students and tutors;
- Determine, where appropriate, whether students need to re-present assignments or re-take particular modules.

Trustees' responsibilities

The Board (who are also directors of Lindisfarne College of Theology for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires that the Board are to prepare financial statements for each financial year. Under company law the Board must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 operation.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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

Related parties

The trustees acknowledge that related party transactions may occur.

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 charities nor that they are liable to invalidation, but transparency is important and therefore information about such transactions is necessary.

Connected charities

Following the adoption of the revised Articles of Association in May 2017, the trustees consider there are no connected charities.

Pension scheme

The Church of England Pensions Board is responsible for the Clergy Pension Fund and the Church Workers Pension Fund and it is to this body that the LCT pays retirement benefit contributions for its employees (see note 12 to the accounts).

Risk management

The Board confirm that the major risks to which the LCT are exposed, as identified by the Board and staff, have been reviewed and that systems and procedures have been established to manage those risks. The Board will ensure that risks are reviewed and managed as part of the risk management strategy.

Appointment of Independent Examiner

UNW LLP have been re-appointed as Independent examiner

By Order of the Board

The Revd Canon Dr A Bartlett
Joint Acting Chair

19th January 2023

Administrative Details

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Canon Isabella McDonald-Booth (Chair) (Ended 31 August 2022)
The Revd Dr D E G Whiting
The Revd Dr B H Carter (ended 25 November 2021)
The Revd Canon Dr. A Bartlett (Joint Acting Chair from 1 September 2022)
The Revd S McCormack (Joint Acting Chair from 1 September 2022)
A Blackburn (ended 21 July 2022)
J Hewitt
S Morgan (from 20 January 2022)
Ven Rachel Wood Archdeacon of Northumberland (from 20 October 2022)

Independent examiner

UNW LLP
Chartered Accountants
Citygate, St. James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Co-operative Bank Plc
PO Box 250, Skelmersdale
WN8 6WT

Solicitors

Sintons LLP
The Cube, Barrack Road
Newcastle upon Tyne
NE4 6DB

Registered Office

Church House, St John's Terrace
North Shields, NE29 6HS
(Telephone: 01912 704144) (Fax: 01912 704101)
(Website: www.lindisfarnect.org)
(Email: enquiries@lindisfarnect.org)

Company registered number: 06905282

Registered charity number: 1136478

Independent examiner's report to the trustees of Lindisfarne College of Theology ('the company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2022.

This report is made solely to the company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anne Hallowell BSc FCA DChA

UNW LLP

Newcastle upon Tyne

Date: 19 January 2023

LINDISFARNE COLLEGE OF THEOLOGY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from					
Diocesan course fees	2	193,644	-	193,644	177,778
Income from charitable activities:					
Other income		7,748	778	8,526	31,097
Other course fees		52,656	-	52,656	72,132
Bank Interest		217	-	217	143
Total income		<u>254,265</u>	<u>778</u>	<u>255,043</u>	<u>281,150</u>
Expenditure on					
Charitable activities	3	300,164	902	301,066	252,843
Total expenditure		<u>300,164</u>	<u>902</u>	<u>301,066</u>	<u>252,843</u>
Net expenditure before investment (losses)/gains	4	(45,899)	(124)	(46,023)	28,307
Net (loss)/gain on investment					
Unrealised (loss)/gain on investment assets	8	<u>(1,378)</u>	<u>-</u>	<u>(1,378)</u>	<u>12,110</u>
Net (expenditure)/income		(47,277)	(124)	(47,401)	40,417
Reconciliation of funds					
Total funds brought forward		272,938	1,613	274,551	234,134
Total funds as at 31 August 2022	13	<u>225,661</u>	<u>1,489</u>	<u>227,150</u>	<u>274,551</u>

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
BALANCE SHEET AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	7	351	677
Investments	8	<u>68,551</u>	<u>69,929</u>
		68,902	70,606
Current assets			
Debtors	9	-	2,213
Cash at bank		<u>179,536</u>	<u>209,249</u>
		179,536	211,462
Creditors: amounts falling due within one year	10	(21,288)	(6,517)
Net current assets		<u>158,248</u>	<u>204,945</u>
Total assets less current liabilities		227,150	275,551
Creditors: amounts falling due after one year	11	-	(1,000)
Net assets		<u>227,150</u>	<u>274,551</u>
The funds of the charity			
Unrestricted income funds(including investments revaluation reserve of £38,552 (2021: £39,930)	13	225,661	272,938
Restricted income funds	13	1,489	1,613
Total Funds		<u>227,150</u>	<u>274,551</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the members of the Board on the 19th January 2023 and are signed on their behalf by:

The Revd Canon Dr A Bartlett
Joint Acting Chair
Company number 06905282

1. Principal accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS 102).

The principal accounting policies and estimation techniques are as follows.

Basis of preparation

LCT prepares its annual financial statements on the basis of historical cost except for investments which are shown at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

As set out in more detail in the trustees' report, the charity's finances have not been significantly impacted by the Covid-19 pandemic. Taking into account the levels of unrestricted reserves, cash balances and anticipated spend over the coming 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when LCT is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.

The principal source of income of LCT is course fee income from Durham Diocesan Board of Finance and Newcastle Diocesan Board of Finance. These are recognised in the SOFA in the period in which they are receivable.

Other sundry income is recognised in the SOFA in the accounting period in which monies are receivable.

Resources expended

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 102 from including a cash flow statement in the financial statements on the grounds that LCT is a small entity.

Pensions

The LCT's staff are members of the Church Workers Pension Fund and Church of England Funded Pensions Scheme. The pension costs charged as resources expended represent the LCT's contributions payable in respect of the accounting period, in accordance with FRS 102. Deficit funding for the pension scheme to which LCT participates is accrued at current value within creditors.

Depreciation on other tangible fixed assets

Depreciation is provided in order to write off the cost (less any residual value) of other fixed assets over their currently expected useful economic lives at the following initial rates:-

<i>Computers</i>	<i>25% per annum straight line</i>
<i>Furniture and office equipment</i>	<i>20% per annum straight line</i>

Debtors

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

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

Cash at bank and in hand

Cash at bank and hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Critical accounting estimates and judgements

In the opinion of the Trustees the only material estimate that impacts on the financial statements is the valuation attributed to the defined benefit pension contributions liability.

2 Diocesan course fee income	Unrestricted Funds £	Total Funds 2022	Total Funds 2021 £
Durham Diocesan Board of Finance	127,244	127,244	132,659
Newcastle Diocesan Board of Finance	66,400	66,400	45,119
	193,644	193,644	177,778

3 Costs of charitable activity by activity type	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Academic costs	239,754	-	239,754	189,653
Administration costs	57,506	-	57,506	60,902
Governance costs	2,904	-	2,904	1,888
Grants given	-	902	902	400
	300,164	902	301,066	252,843

4 Net income for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	326	326
Independent examination fee	1,710	1,750

5 Employee details

Employee details

The average headcount during the year was as follows

	2022	2021
	No	No
Academic staff	3.0	3.0
Administrative staff	2.9	2.9
	5.9	5.9

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2022	2021
	No	No
Academic staff	2.0	2.0
Administrative staff	1.2	1.2
	3.2	3.2

Total staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	151,402	150,451
Social security costs	14,577	14,598
Other pension costs	14,822	15,648
Movement in pension liability	-	1,000
	180,801	181,697

6 Trustees Remuneration and Expenses

No remuneration has been paid to any trustee in their capacity as a trustee (2021: £nil).

No trustee was reimbursed for travel, subsistence and incidental costs incurred in undertaking the role (2021: £nil).

7 Tangible Assets

	Computers, Equipment & Furniture
	£
At cost	
At 1 September 2021	5,434
At 31 August 2022	5,434
Accumulated depreciation	
At 1 September 2021	(4,757)
Charge for the year	(326)
At 31 August 2022	(5,083)
Net book value at 31 August 2022	351
Net book value at 31 August 2021	677

8 Investments

	Listed investments
	£
Within the United Kingdom	
At 1 September 2021	69,929
Revaluations	(1,378)
At 31 August 2022	68,551
Historic Cost at 31 August 2014	30,000

9 Debtors

	2022	2021
	£	£
Trade debtors	-	2,213

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts falling due within one year		
Trade creditors	7,101	689
Employee/ Pension Creditors	3,481	1,118
Accruals and deferred income	8,706	1,710
Pension liability	2,000	3,000
	21,288	6,517

11 Creditors: amounts falling due after more than one year

Amounts falling due after more than one year	2022	2021
	£	£
Pension Liability	-	1,000

12 Pensions

Lindisfarne College of Theology Ltd 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: £4,775, 2021: £4,682), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £4,775 for 2022 (2021: £5,682).

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.

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

% 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.

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

	2021	2020
Balance sheet liability at 1 January	4,000	6,000
Deficit contribution paid	-2,000	-3,000
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	1,000
Balance sheet liability at 31 December	2,000	4,000

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

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

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

Lay Employees

LCT participates in the Church of England Pension Builder Scheme (PBS14 and Classic), part of the Church Workers Pension Fund. During the year to 31 August 2022, the LCT made contributions of £10,047 (2021: 10,966) and this has been taken as the pension cost shown in these accounts.

At 31st August 2022 LCT had 5 active members in PBS14 and 1 in Classic.

13 Movement in Funds

Summary of fund movements

	Balance at 1 Sep 2021 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Aug 2022 £
Unrestricted Income Funds:					
General Funds	272,938	254,265	(300,164)	(1,378)	225,661
Restricted Funds	1,613	778	(902)	-	1,489
Total Funds	274,551	255,043	(301,066)	(1,378)	227,150

Represented by:

Analysis of net assets between funds

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted Income Funds:				
General Funds	68,902	156,759	-	225,661
Restricted Funds	-	1,489	-	1,489
Total Funds	68,902	158,248	-	227,150

Analysis of net assets between funds- previous year

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted Income Funds:				
General Funds	70,606	205,332	(3,000)	272,938
Restricted Funds	-	1,613	-	1,613
Total Funds	70,606	206,945	(3,000)	274,551

14 Related party transactions

There were no related party transactions in either period.

Accounts

Lindisfarne College of Theology Limited

Trustees' Report & Financial Statements

Year ended 31 August 2021

Company no 06905282

Charity no 1136478

LINDISFARNE COLLEGE OF THEOLOGY LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Annual report

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The trustees, who are also directors for the purposes of company law, present their combined trustees' report and directors' report, together with the financial statements, for the year ended 31 August 2021.

Legal Objects

Following a competitive process, LCT has been appointed as the provider of part time non-residential IME1 (Initial Ministerial Education) training for Ordinands and Readers for the Dioceses of Durham and Newcastle until August 2023, entering into a contract with a review/break clause at the end of August 2021. We will deliver this contract to the highest standards, for the full term, and further develop the detail of our programmes to meet the emerging needs of the Dioceses of Newcastle and Durham students. We also have a small number of independent students and continuing students seeking higher level qualifications.

Aims and objectives

Our Mission

Lindisfarne exists to support the Church in the North East by encouraging discipleship in communities of Christian learning.

Our Aim

To advance the Christian religion by the promotion and delivery of education for discipleship, initial ministerial education, and continuing development for ordained and lay members within the region.

The Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the LCT. The trustees believe that, by promoting the work of Christian Churches, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the region as a whole and in its individual communities and parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Achievements in the year

LCT continues to be an established vibrant and confident provider of theological opportunity, education and training, offering a range of high-quality, well-managed programmes.

Major achievements and key activities in the year include:

- continued high standards of academic achievement;
- the successful delivery of the programmes during the Covid-19 pandemic, using virtual platforms for seminars and residential aspects of the courses;
- the embedding of a Common Awards MA Programme (now in its second year);
- the embedding and deeper integration of the new Lindisfarne virtual learning environment to improve the student experience;
- an academic programme held in high regard by the National Ministry Team of the Church of England Durham University's Common Awards;
- a programme of training for ministry that is deeply valued by both Dioceses of Newcastle and Durham;
- to sustain a core teaching staff of 2.8 FTE and academic administrative staffing of 0.8 FTE; supported by a team of committed associate and personal tutors;
- to retain the services of the 0.6 FTE Interim Executive Director after the resignation of the previous Director;
- to enable the Principal to take a period of study leave from Jan – mid-April;
- successful delivery of the Pastoral Ministry Course in the Diocese of Durham, which included training Lay Chaplains;
- increase in strategic marketing materials to aid recruitment;

- to offer the 4th Lindisfarne Lecture programme;
- to see the alumni network become more established so that they have a stronger network and annual programme, are now ready to support the work of the College more effectively;
- successful management of new budget systems in a time of change for the company.

Future plans

LCT seeks to continue to meet the needs of its commissioning partners in delivering high quality ministerial training for Readers and Ordinands that is in line with the Church of England's national guidelines for ministerial training. This is to include seeking new opportunities to provide training for discrete lay ministries and education for discipleship, strengthening our financial position.

LCT will continue to focus on these five core areas:

- Theological teaching partner of choice for the Dioceses in respect of non-residential training for ministry;
- Being known for outstanding theological training;
- Teaching capacity;
- Diversify the range of courses offered so that we can respond to the need for a greater range of ministries and support lay training more widely;
- Building a sustainable financial model.

During the next 12 months we will:

- seek to renew our current contracts with the Dioceses of Newcastle and Durham so that they are extended on a rolling basis beyond August 2023;
- work closely with the Diocese of Newcastle to develop a new Full-Time Context-based Programme of Training for Standard Pathway Ordinands and Pioneer Ordinands with a view to beginning a new stream of students either in Sept 2022 or Sept 2023;
- work closely with CMS and other partners to widen our reach and offer of training for ministry;
- continue to review our development and financial plans, including plans to generate additional independent student numbers;
- reshape the role of the Executive Director to that of Director of Business and Finance, and tie the role more closely into the life of the College;
- continue to build our alumni community and increasing grant funding applications;
- continue to participate in the Church of England Ministerial Experience Volunteer (MEV) programmes in the Diocese of Durham;
- explore new opportunities within our existing markets (a broader provision of education for discipleship/ministry within the Church of England, responding to the wider agendas of 'Renewal and Reform', 'Serving Together', and 'Growth' / 'Church Planting.' The channels are in place to do this, and we are sufficiently flexible and versatile to shape our organisation to meet these new challenges, which, we believe, reflect a fundamental shift in the way the Church will work in the future.

Financial review

Overall financial position

Income totalled £281,150 (2020: £259,487) and expenditure amounted to £252,843 (2020: £240,489). The Statement of Financial Activities (SOFA) for the year shows net income of £40,417 (2020: £22,765). The net movement in funds resulted in an increase in total funds from £234,134 to £274,551.

Principal funding sources

67% from diocesan course fees and of the remaining 33%, 23% was other course fees.

Review of financial position

The balance sheet has increased by £40,417 during the year. Trustees are satisfied with the year end result and position after a challenging year.

Going concern

Given the ongoing impact of Covid-19, the trustees have considered the charity's financial sustainability over the next financial year and beyond. As discussed above, the charity retains a level of reserves which would help to mitigate any immediate financial pressures and manage anticipated cashflow needs in the coming year.

The financial effect of Covid-19 has been positive, even taking into account the difficulties of teaching through it. Expenditure on travel and courses has decreased reflecting savings made through courses moving online, particularly residential courses. LCT has learned how to accommodate students unable to travel and to create learning groups in a virtual environment.

The present financial position is further supported by a commitment from the Dioceses to maintain the current relationship until at least August 2023.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

LCT currently has reserves totalling £274,551, of which £272,938 are free reserves (unrestricted reserves excluding fixed assets). The priority has been to build towards a position where it has free reserves equivalent to at least four months' employment costs of its direct employees and also accommodation costs. The value of free reserves required is a minimum of £60,233. The trustees are satisfied that the current level of reserves is satisfactory bearing in mind the current funding climate, with the assurance of its partners in the event of lower student numbers than required as per contracts.

Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

Structure and Governance

LCT is governed by the provisions contained within its Memorandum and Articles of Association, the requirement of its partner institutions and other statutory and charity laws.

The statutory governing body also known as the Board of Trustees, normally meets four times a year.

LCT was incorporated on 14 May 2009 as a limited company (No. 06905282) and its governing documents are the Memorandum and Articles of Association. LCT is registered with the Charity Commissioners (No. 1136478). Revised Articles of Association were adopted on 25th May 2017.

Every member has a personal limited liability to £10 under their guarantee as company members in the event of it being wound up.

Decision-making structure

The Board of trustees are responsible for the vision, strategy, and policy of LCT.

The Board has delegated responsibility for the day-to-day management of the company to the Executive Director and the Principal, working with the Chair. This includes:

- Advising on action needed to raise the income necessary to finance expenditure;
- Advising founder members of the financial aspects of its policy and on any other matters referred to it;
- Preparation of an annual budget;
- Budgetary control within the approved budget.

Appointment of Board of Trustees

The trustees are members of the Board (see page 5). All trustees are appointed as per the Articles of Association. Trustees receive on-going training, as appropriate.

Sub-committee structure

In accordance with clause 40 of the Articles of Association, the Board of trustees has established one sub-committee the Board of Studies and the TEI Management Committee for the Common Awards programmes. The functions of the Board of Studies are to:

- Make recommendations to the staff about addressing student and tutor needs;
- Make recommendations to the Board of Examiners about awards;
- Make recommendations to the BA in Theology, Ministry and Mission (BATMM) Joint Working Group about operational issues in the Initial Ministerial Education programme;
- Encourage consistency in marking;
- Handle appeals from and about students and tutors;
- Determine, where appropriate, whether students need to re-present assignments or re-take particular modules.

Trustees' responsibilities

The Board (who are also directors of Lindisfarne College of Theology for the purposes of company law) are responsible for preparing the trustees' 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 Board are to prepare financial statements for each financial year. Under company law the Board must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 operation.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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

Related parties

The trustees acknowledge that related party transactions may occur.

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 charities nor that they are liable to invalidation, but transparency is important and therefore information about such transactions is necessary.

Connected charities

Following the adoption of the revised Articles of Association in May 2017, the trustees consider there are no connected charities.

Pension scheme

The Church of England Pensions Board is responsible for the Clergy Pension Fund and the Church Workers Pension Fund and it is to this body that the LCT pays retirement benefit contributions for its employees (see note 12 to the accounts).

Risk management

The Board confirm that the major risks to which the LCT are exposed, as identified by the Board and staff, have been reviewed and that systems and procedures have been established to manage those risks. The Board will ensure that risks are reviewed and managed as part of the risk management strategy.

Appointment of Independent Examiner

UNW LLP have been re-appointed as Independent examiner.

By Order of the Board

Canon Isabella McDonald-Booth
Chair

25th November 2021

Administrative Details

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Canon Isabella McDonald-Booth (Chair)
The Revd Dr D E G Whiting
The Revd Dr B H Carter
The Revd Canon Dr. A Bartlett
The Revd S McCormack
A Blackburn
J Hewitt

Independent examiner

UNW LLP
Chartered Accountants
Citygate, St. James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Co-operative Bank Plc
PO Box 250, Skelmersdale
WN8 6WT

Solicitors

Sintons LLP
The Cube, Barrack Road
Newcastle upon Tyne
NE4 6DB

Registered Office

Church House, St John's Terrace
North Shields, NE29 6HS
(Telephone: 01912 704144) (Fax: 01912 704101)
(Website: www.lindisfarnect.org)
(Email: enquiries@lindisfarnect.org)

Company registered number: 06905282
Registered charity number: 1136478

Independent examiner's report to the trustees of Lindisfarne College of Theology ('the company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2021.

This report is made solely to the company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anne Hallowell BSc FCA DChA
UNW LLP
Newcastle upon Tyne

LINDISFARNE COLLEGE OF THEOLOGY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from					
Diocesan course fees	2	177,778	-	177,778	186,474
Income from charitable activities:					
Other income		30,212	885	31,097	29,328
Other course fees		72,132	-	72,132	43,221
Bank Interest		143	-	143	464
Total income		<u>280,265</u>	<u>885</u>	<u>281,150</u>	<u>259,487</u>
Expenditure on					
Charitable activities	3	252,443	400	252,843	240,489
Total expenditure		<u>252,443</u>	<u>400</u>	<u>252,843</u>	<u>240,489</u>
Net income before investment gains	4	27,822	485	28,307	18,998
Net gains on investment					
Unrealised gain on investment assets	8	<u>12,110</u>	<u>-</u>	<u>12,110</u>	<u>3,767</u>
Net income		39,932	485	40,417	22,765
Reconciliation of funds					
Total funds brought forward		233,006	1,128	234,134	211,369
Total funds as at 31 August 2021	13	<u>272,938</u>	<u>1,613</u>	<u>274,551</u>	<u>234,134</u>

LINDISFARNE COLLEGE OF THEOLOGY LIMITED

BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	677	298
Investments	8	69,929	57,820
		<u>70,606</u>	<u>58,118</u>
Current assets			
Debtors	9	2,213	11,023
Cash at bank		209,249	174,354
		<u>211,462</u>	<u>185,377</u>
Creditors: amounts falling due within one year	10	(4,517)	(5,361)
Net current assets		<u>206,945</u>	<u>180,016</u>
Total assets less current liabilities		277,551	238,134
Creditors: amounts falling due after one year	11	(3,000)	(4,000)
Net assets		<u>274,551</u>	<u>234,134</u>
The funds of the charity			
Unrestricted income funds(including investments revaluation reserve of £39,930 (2020 £27,820)	13	272,938	233,006
Restricted income funds	13	1,613	1,128
Total Funds		<u>274,551</u>	<u>234,134</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the members of the Board on the 25th November 2021 and are signed on their behalf by:

Canon Isabella McDonald-Booth
Chair
Company number 06905282

1. Principal accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS 102).

The principal accounting policies and estimation techniques are as follows.

Basis of preparation

LCT prepares its annual financial statements on the basis of historical cost except for investments which are shown at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

As set out in more detail in the trustees' report, the charity's finances have not been significantly impacted by the Covid-19 pandemic. Taking into account the levels of unrestricted reserves, cash balances and anticipated spend over the coming 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when LCT is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.

The principal source of income of LCT is course fee income from Durham Diocesan Board of Finance and Newcastle Diocesan Board of Finance. These are recognised in the SOFA in the period in which they are receivable.

Other sundry income is recognised in the SOFA in the accounting period in which monies are receivable.

Resources expended

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 102 from including a cash flow statement in the financial statements on the grounds that LCT is a small entity.

Pensions

The LCT's staff are members of the Church Workers Pension Fund and Church of England Funded Pensions Scheme. The pension costs charged as resources expended represent the LCT's contributions payable in respect of the accounting period, in accordance with FRS 102. Deficit funding for the pension scheme to which LCT participates is accrued at current value within creditors.

Depreciation on other tangible fixed assets

Depreciation is provided in order to write off the cost (less any residual value) of other fixed assets over their currently expected useful economic lives at the following initial rates:-

<i>Computers</i>	<i>25% per annum straight line</i>
<i>Furniture and office equipment</i>	<i>20% per annum straight line</i>

Debtors

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

Cash at bank and in hand

Cash at bank and hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Critical accounting estimates and judgements

In the opinion of the Trustees the only material estimate that impacts on the financial statements is the valuation attributed to the defined benefit pension contributions liability.

2 Diocesan course fee income	Unrestricted Funds £	Total Funds 2021	Total Funds 2020 £
Durham Diocesan Board of Finance	132,659	132,659	108,616
Newcastle Diocesan Board of Finance	45,119	45,119	77,858
	177,778	177,778	186,474

3 Costs of charitable activity by activity type	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Academic costs	189,653	-	189,653	191,064
Administration costs	60,902	-	60,902	47,473
Governance costs	1,888	-	1,888	1,952
Grants given	-	400	400	-
	252,443	400	252,843	240,489

4 Net income for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	326	150
Independent examination fee	1,750	1,730

5 Employee details

Employee details

The average headcount during the year was as follows

	2021	2020
	No	No
Academic staff	3.0	3.0
Administrative staff	2.9	2.9
	5.9	5.9

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2021	2020
	No	No
Academic staff	2.0	2.0
Administrative staff	1.2	1.2
	3.2	3.2

Total staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	150,451	131,632
Social security costs	14,598	11,862
Other pension costs	15,648	14,294
Movement in pension liability	1,000	(10,000)

6 Trustees Remuneration and Expenses

No remuneration has been paid to any trustee in their capacity as a trustee (2020: £nil).

No trustee was reimbursed for travel, subsistence and incidental costs incurred in undertaking the role (2020: one trustee reimbursed £36).

7 Tangible Assets

	Computers, Equipment & Furniture
	£
At cost	
At 1 September 2020	4,729
Additions	705
Disposals	-
Transfers	-
At 31 August 2021	5,434
Accumulated depreciation	
At 1 September 2020	(4,431)
Charge for the year	(326)
Disposals	
At 31 August 2020	(4,757)
Net book value at 31 August 2021	677
Net book value at 31 August 2020	298

8 Investments

	Listed investments
	£
Within the United Kingdom	
At 1 September 2020	57,820
Additions	-
	57,820
Revaluations	12,109
At 31 August 2021	69,929
Historic Cost at 31 August 2014	30,000

9 Debtors

	2021	2020
	£	£
Prepayments and accrued income	-	11,023
Trade debtors	2,213	-

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts falling due within one year		
Trade creditors	689	-
Employee/ Pension Creditors	1,118	1,691
Accruals and deferred income	1,710	1,670
Pension liability	3,000	2,000
	6,517	5,361

11 Creditors: amounts falling due after more than one year

Amounts falling due after more than one year	2021	2020
	£	£
Pension Liability	1,000	4,000

12 Pensions

Lindisfarne College of Theology Ltd 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: **£4,682**, 2020: **£4,590**), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of **£5,682** for 2021 (2020: **£5,410**).

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.;

LINDISFARNE COLLEGE OF THEOLOGY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

- 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 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

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

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

	2020	2019
Balance sheet liability at 1 January	6,000	19,000
Deficit contribution paid	-3,000	-3,000
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	1,000	-10,000
Balance sheet liability at 31 December	4,000	6,000

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

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 2020	December 2019	December 2018
Discount rate	0.2%	1.1% pa	2.1% pa
Price inflation	3.1%	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6%	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, Lindisfarne College of Theology Ltd could become responsible for paying a share of that Responsible Body’s pension liabilities.

Lay Employees

LCT participates in the Church of England Pension Builder Scheme (PBS14 and Classic), part of the Church Workers Pension Fund. During the year to 31 August 2021, the LCT made contributions of £10,966 and this has been taken as the pension cost shown in these accounts.

At 31st August 2021 LCT had 2 active member in PBS14 and 3 in Classic.

13 Movement in Funds

Summary of fund movements

	Balance at 1 Sep 2020 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Aug 2021 £
Unrestricted Income Funds:					
General Funds	233,006	280,265	(252,443)	12,110	272,938
Restricted Funds	1,128	885	(400)	-	1,613
Total Funds	234,134	281,150	(252,843)	12,110	274,551

Represented by:

Analysis of net assets between funds

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted Income Funds:				
General Funds	70,606	205,332	(3,000)	272,938
Restricted Funds	-	1,613	-	1,613
Total Funds	70,606	206,945	(3,000)	274,551

Analysis of net assets between funds- previous year

	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted Income Funds:				
General Funds	58,118	178,888	(4,000)	233,006
Restricted Funds	-	1,128	-	1,128
Total Funds	58,118	180,016	(4,000)	234,134

14 Related party transactions

There were no related party transactions in either period.