

KING'S COLLEGE LONDON THEOLOGICAL TRUST

Report and Financial Statements

Year ended 31 July 2024

KING'S COLLEGE LONDON THEOLOGICAL TRUST

Contents	Page
Trustees and professional advisers	1
Trustees' report	2 - 3
Statement of Trustees' responsibilities	4
Independent Auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Cash flow statement	10
Notes to the accounts	11 - 13

KING'S COLLEGE LONDON THEOLOGICAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES

The Revd Dr Giles Legood – Chairman
The Revd Canon Dr Alison Joyce – representing The Bishop of London (ex officio)
Professor Shitij Kapur, Principal of King's College London (ex officio)
The Revd Barry Nichols
The Revd Canon Dr Hazel Whitehead
The Revd Jennie Hogan
The Revd Dr Peniel Rajkumar

TRUST ADDRESS

King's College London
Strand
London
WC2R 2LS

AUDITOR

Gowers Limited
The Old School House
Bridge Road
Hunton Bridge
Kings Langley
Herts
WD4 8SZ

BANKERS

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

KING'S COLLEGE LONDON THEOLOGICAL TRUST

TRUSTEES' ANNUAL REPORT

Year ended 31 July 2024

The Trustees present their annual report and financial statements of the charity for the year ended 31 July 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland.

OBJECTS AND ACTIVITIES

The objects of the Trust, as set out in the Scheme, are as follows: -

1. the provision of or assisting in the provision of residential accommodation for students in the Department of Theology and Religious Studies of King's College London;
2. furthering the education of such students, and of former students of the said Department in such ways as the Trustees think fit;
3. furthering the vocational training of such students or former students and in particular of those who intend to seek ordination in the Church of England; and
4. the advancement of the Christian religion, particularly in accordance with the doctrines of the Church of England, among such students and former students.

The Trustees achieve these objects principally through the award of grants. In particular, they intend to support postgraduate overseas students from developing countries undertaking doctoral/masters research, and to make individual grants to home students undertaking courses in the Department of Theology. Vocational training towards the ordained ministry will be furthered with continuing grants towards schemes organised through the Dean's Office.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

During the year, the Trust funded two overseas scholarships to students studying for postgraduate qualifications within the Department of Theology and Religious Studies of King's College London. These scholarships are awarded to students who are able to benefit from the educational opportunity offered by the department who are unable to obtain an education at this level in their own country and who are expected to make a significant contribution to the religious life of their country through the medium of one of the Christian denominations.

In addition, the Trust received three applications for individual small grants and two were successful in being awarded funding. These awards are made principally to assist with the cost of tuition fees for home students, although requests for other purposes, such as thesis preparation and travel in connection with research are also considered.

The Trust also provided support to the Chaplaincy at King's College London by funding two assistants which has enhanced the work of the chaplains. These awards assist with the vocational training of students. Past assistants have continued to minister within the church.

FINANCIAL REVIEW

The total income for the year, derived entirely from investments and bank deposits was £156,074.

The total expenditure for the year was £172,057. The expenditure consisted of grants of £101,800 to three students, £61,702 expenditure in furthering the education and vocational training of students and former students of the Department of Theology and Religious Studies of King's College London and £5,375 on management and administration, and the audit fee of £3,180. The excess of expenditure over income for the year was £15,983.

During the year, the market value of the Trust's investments increased by £480,550 to £5,644,985.

Total funds of the charity as at 31 July 2024 amounted to £5,914,163. The Trustees' policy is to maintain a capital base from which to generate income to support future beneficiaries. They achieve this by adding to the original capital sum all capital gains arising from the Trust's investments and only spending income. As at 31 July this capital reserve amounted to £5,548,598.

In addition, the Trustees maintain an income reserve as a cushion against those years in which expenditure exceeds income. This may occur because there are a higher number of applicants which the Trustees consider deserving of support, or because circumstances result in a student requiring support over a longer period than was originally envisaged. To give the Trustees this flexibility and to ensure that the Trust can continue to support a student through to completion of their course, even when this has had to be extended for unforeseen reasons, the Trustees have decided to maintain a reserve of between 6 and 12 months of annual expenditure.

At 31 July 2024 the income reserve was standing at £365,565 equivalent to 25 months of expenditure, far in excess of the policy. A reorganisation within King's College London has resulted in fewer students applying for grants and difficulties in finding overseas scholars of a sufficient standard to undertake successfully a higher degree have contributed to a decrease in expenditure in previous years.

The Trust's investment policy is to maintain the capital value of its investment, after taking into account inflationary factors and generate sufficient income to meet its objectives.

During the year, the total returns on the Trust's investment was an increase of 12.1% consisting of a 9.3% increase in the value of investments and a 2.8% income yield.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust was formed under a scheme approved by the Charity Commission on 19 September 1980. The Trust was previously treated as exempt from the requirements to register with the Charity Commission under the provisions of the King's College London Act 1978. However, following the changes to regulation introduced in the Charities Act 2006, the Trustees decided that this exemption was no longer appropriate. On 23 September 2011, the Trust was registered with the Charity Commission in England, under Charity Number 1143939.

There are seven Trustees – two ex-officio Trustees being the Principal of King's College London and the Bishop of the Diocese of London or his or her nominated representative with five co-opted Trustees.

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

Approved and signed on behalf of the Trustees on

~~2024~~ 07 March 2025

Trustee

Giles Legood

Independent auditor's report to the Trustees of King's College London Theological Trust

Opinion

We have audited the financial statements of King's College London Theological Trust ("the charity") for the year ended 31st July 2024 which comprise the statement of financial activities, balance sheet, cash flow statement and related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st July 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or

- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, our procedures included the following:

- the nature of the charitable sector, the charity's control environment and performance,
- results of our enquiries of management and representatives of the trustees about their own identification and assessment of the of irregularities;
- any matters we identified having reviewed the charity's procedures relating to identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and the internal systems established to mitigate risks related to fraud or non-compliance with laws and regulations.
- the matters discussed among the engagement team, including tax, regarding where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of the above, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in management override of controls. In common with all audits under ISAs (UK), we are required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory framework in which the company operates, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements in this case, specifically in this context, Charities Act 2011 and tax legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Having performed the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the trustees and in-house management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- in addressing the risk of fraud through management override of controls, reviewing the appropriateness of journal entries and other adjustments; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Gowers Limited, Statutory Auditor

The Old School House

Bridge Road

Hunton Bridge

Kings Langley

Herts WD4 8SZ



9th June 2015

KING'S COLLEGE LONDON THEOLOGICAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 July 2024

	Note	Total Unrestricted funds	
		2024 £	2023 £
Income and Endowments			
Investment income	2	<u>156,074</u>	<u>152,125</u>
Total income		<u>156,074</u>	<u>152,125</u>
Expenditure			
Expenditure on charitable activities	3	<u>172,057</u>	<u>203,849</u>
Net income/(expenditure) and net movement in funds before gains and losses on investments		(15,983)	(51,724)
Net (losses)/gains on investments		<u>480,550</u>	<u>(50,584)</u>
Net Movement in Funds		464,567	(102,308)
Total Funds brought forward at 1 August	7	<u>5,449,596</u>	<u>5,551,904</u>
Total Funds carried forward at 31 July	7	<u><u>5,914,163</u></u>	<u><u>5,449,596</u></u>

All income and expenditure derive from continuing operations.

KING'S COLLEGE LONDON THEOLOGICAL TRUST

BALANCE SHEET as at 31 July 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Investments	4	5,644,985	5,164,435
CURRENT ASSETS			
Debtors	5	47,749	50,467
Cash at bank and in hand		<u>225,748</u>	<u>237,694</u>
		273,497	288,161
CREDITORS: amounts falling due within one year	6	<u>(4,319)</u>	<u>(3,000)</u>
NET CURRENT ASSETS		269,178	285,161
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,914,163</u>	<u>5,449,596</u>
Funds			
Unrestricted funds	7	<u>5,914,163</u>	<u>5,449,596</u>

The financial statements were approved by the Trustees on 07 Mar 2025 and signed on their behalf.

Giles Legood

Trustee

KING'S COLLEGE LONDON THEOLOGICAL TRUST

CASH FLOW STATEMENT for the Period 1 August 2023 to 31 July 2024

	Note	2024 £	2023 £
Net Cash Outflow From Operating Activities	8	<u>(168,020)</u>	<u>(211,701)</u>
Cash flows from investing activities:			
Interest and dividends		156,074	152,125
Payments to acquire investments		(1,500,000)	-
Proceeds from sales of investments		1,500,000	-
		<u> </u>	<u> </u>
Net cash provided by investing activities		156,074	152,125
Change in cash and cash equivalents in the year		(11,946)	(59,576)
Cash and cash equivalents brought forward		<u>237,694</u>	<u>297,270</u>
Cash and cash equivalents carried forward		<u>225,748</u>	<u>237,694</u>

KING'S COLLEGE LONDON THEOLOGICAL TRUST

NOTES TO THE ACCOUNTS

Year ended 31 July 2024

1 ACCOUNTING POLICIES

The Financial and Reporting statements are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS102) issued in January 2015, and applicable accounting standards. King's College London Theological Trust meets the definition of a public benefit entity under FRS102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The Trustees have reviewed cash flow forecasts for a period of twelve months from the date of approval of these financial statements, which indicate that, taking account of reasonable possible downsides such as no income for twelve months and a 10% decrease in the value of investments, the Trust will have sufficient funds, to meet its liabilities as they fall due for that period. The most significant areas of adjustment and key assumptions are to do with the carrying value of assets held by the Trust and the level of investment return and the performance of investment markets. The particular accounting policies adopted by the Trustees are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments to market value.

Fund accounting

Unrestricted funds represent accumulated income and gains together with the original capital sum provided to establish the Trust. The funds are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and may be used to finance both working capital and capital investment. It is the policy of the Trustees to maintain a capital fund from which to generate income to support future beneficiaries which they do by adding capital gains arising from the Trust's investments to the original sum.

Incoming resources

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

Investment income

Investment income is accounted for when receivable.

Charitable expenditure

All expenditure is accounted for on an accrual basis. Charitable expenditure includes all expenditure directly related to the objects of the charity and comprises the following:

- Grants payable are accounted for when the Trustees have accepted a legal or moral obligation to make the grant.

KING'S COLLEGE LONDON THEOLOGICAL TRUST

NOTES TO THE ACCOUNTS

Year ended 31 July 2024

- Management and administration costs relate to expenditure incurred in the management of the charity's assets and organisational administration.

Governance costs

Governance costs comprise all costs involving the compliance with constitutional and statutory requirements, public accountability of the charity and its compliance with regulation and good practice.

Staff costs

The Trust employed no staff during the year.

Investments

Investments are valued using the bid price. Realised and unrealised gains and losses are shown separately in the appropriate section of the statement of financial activities.

	2024 £	2023 £
2 INVESTMENT INCOME		
Income from UK investments	144,101	144,990
Bank interest	11,973	7,135
	<u>156,074</u>	<u>152,125</u>
3 EXPENDITURE ON CHARITABLE ACTIVITIES		
Material grants payable by the Trust:		
Grants to students (2 students; 2023: 1 student)	5,500	1,500
Overseas scholarships and grants (2 students; 2023: 3 students)	96,300	137,940
Furthering both the education and vocational training of students	14,260	12,500
Furthering the vocational training of students	47,442	43,690
Management and administration	5,375	5,219
Audit fees	3,180	3,000
	<u>172,057</u>	<u>203,849</u>
4 INVESTMENTS HELD AS FIXED ASSETS		
Market value at 1 August	5,164,435	5,215,019
Purchases	1,500,000	-
Disposal proceeds	(1,500,000)	-
Realised loss on disposals	(74,945)	-
Net gain on revaluation	555,495	(50,584)
Market value at 31 July	<u>5,644,985</u>	<u>5,164,435</u>
Cost at 31 July	<u>4,061,533</u>	<u>3,648,064</u>
5 DEBTORS		
Accrued investment income	47,749	47,741
Other debtors	-	2,726
	<u>47,749</u>	<u>50,467</u>

KING'S COLLEGE LONDON THEOLOGICAL TRUST

NOTES TO THE ACCOUNTS

Year ended 31 July 2024

6 CREDITORS; AMOUNTS FALLING DUE WITHIN ONE YEAR

Grants to students	736	-
Audit fee	3,180	3,000
Other Creditors	403	-
	<u>4,319</u>	<u>3,000</u>

7 FUNDS

	Capital Fund £	Income Fund £	Total Unrestricted Funds £	2022/23 £
As at 1 August	5,068,048	381,548	5,449,596	5,551,904
Net Incoming Resources	480,550	(15,983)	464,567	(102,308)
	<u>5,548,598</u>	<u>365,565</u>	<u>5,914,163</u>	<u>5,449,596</u>

The capital fund includes the original capital sum of £482,763 provided to establish the Trust and accumulated capital gains.

8 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net movement in funds	464,567	(102,308)
Deduct investment income	(156,074)	(152,125)
Deduct gains/add back losses on investments	(480,550)	50,584
(Increase)/decrease in sundry debtors	2,718	(2,726)
Increase/(decrease) in sundry creditors	1,319	(5,126)
Net cash used in operating activities	<u>(168,020)</u>	<u>(211,701)</u>

9 KEY MANAGEMENT PERSONNEL AND RELATED PARTIES

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year.

No trustee received reimbursement for travel expenses during the year. (Previous year: £51 one trustee)

10 TAXATION

King's College London Theological Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.