

BIBLICAL COUNSELLING UK

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

CHARITY NUMBER: 1164965

**BIBLICAL COUNSELLING UK
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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Principal Address

Christ Church
Christchurch Street
Cambridge
CB1 1HT

Principal Bankers

Barclays Bank PLC
9-11 St Andrew's Street
Cambridge
CB2 3AA

Independent Examiner

N J Hedger BFP FCA CTA
Chater Allan LLP
7 Quay Court
Colliers Lane
Stow-cum-Quay
Cambridgeshire
CB25 9AU

**BIBLICAL COUNSELLING UK
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

Purposes of the Charity

Biblical Counselling UK (BCUK) exists so that people, whatever their struggle, receive wise, biblical conversational ministry in their local church. To achieve that, BCUK's mission is to serve local churches by providing training and resources that envision and equip interpersonal ministry of the word which is both deep in wisdom and broad in reach.

Structure

Biblical Counselling UK is a Charitable Incorporated Organisation ('Foundation' model constitution), charity number 1164965.

The Biblical Counselling movement began in the USA and is much more developed there than it is in the UK. BCUK benefits from strong links with two 'not for profit' biblical counselling organisations in the US. These are CCEF (The Christian Counseling and Educational Foundation) and the BCC (The Biblical Counseling Coalition). Our executive director, Steve Midgley, is a member of the board of CCEF and on the board of Directors of the Biblical Counselling Coalition. Both of these roles are voluntary.

Governance and Management

Trustees

From 1 September 2023 to the time at which these accounts were approved the following people served as Trustees of Biblical Counselling UK:

Mike Warren (Chair)
Allan Beckett
Katherine Cornes
Stuart Hull (appointed 6 November 2023)
Joanna Jackson (resigned 20 April 2024)
Sally Orwin Lee
Fred Paton (Treasurer)
Abigail Richardson
Christine Robinson
Roxana Stanciu

Tarita Smallwood served as Secretary during the year. She is a staff member of BCUK and not a Trustee.

New Trustees must be appointed by a resolution passed at a properly convened meeting of the charity trustees. Individuals selected for appointment as charity trustees, will be required to have the skills, knowledge and experience needed for the effective administration of the charity. They are appointed for three years in the first instance. There is no limit on the number of times they may be reappointed as a Trustee but a review is undertaken by the Board after nine consecutive years to determine whether reappointment is in the best interests of the charity.

The Trustees delegate the day-to-day management of the charity to the Executive Director, Steve Midgley.

Public Benefit

BCUK has considered the Charity Commission's guidance on public benefit and is committed to the following Objects:

1. The advancement of the Christian religion by the promotion of the understanding and practice of biblical counselling and establishing and carrying out ministries related thereto;
2. The relief of need, hardship, physical or mental distress among any persons without limitation;
3. In furtherance of the above Objects but not further or otherwise:
 - a. The support by donations, subscriptions or in any other manner any body which is charitable in law and the objects of which include the advancement of the Christian religion or the relief of hardship or physical or emotional distress.
 - b. The support of Christians who are engaged full-time or part-time in Biblical counselling ministries.

Grant Making Policies

BCUK's Church-based Intern Scheme seeks to assist churches who want to develop a biblical counselling approach to ministry. Where a local church has identified an individual with training and gifting in biblical counselling, this scheme provides a framework to support that person's development and the development of their ministry.

All the grants and other assistance provided as part of the Intern Scheme are awarded on an objective basis in accordance with the criteria detailed in the application form and accompanying leaflet which is found on the BCUK website. This includes, but is not limited to, the applicant's previous relevant training and experience, and how the local church intends to use the applicant to develop a biblical counselling approach to ministry.

The David Powlison Memorial Grant scheme which, twice a year, offers a small (up to £2,500) study grant to an individual who has completed the certificate course, is active in biblical counselling ministry and who wishes to undertake advanced study in fields that will promote thought leadership within the UK.

Strategic planning

In 2022-23, conscious of the many opportunities the Lord was placing before us to equip local church leaders and members in pastoral care, we embarked upon a period of strategic review and planning. This led to the creation of a five-year strategic plan, and a reshaping of our staff team and operations to ensure BCUK is best positioned to respond to these opportunities going forward.

BCUK's vision and mission are likely to remain constant in the longer term (see 'Purposes of the Charity' above). Over the five years, however, we have identified four key aims to help direct how we use our time and resources and the strategic goals that will be our priority:

1. Pastors and people share a rich pastoral vision

This means:

- Supporting and resourcing church leaders to help them build church communities which embrace one-anothering.
- Providing training and resources to encourage personal growth and skills in conversational ministry.

2. Experienced carers deepen their wisdom and skill

This means:

- Developing, and supporting, consultation and supervision for vocational counsellors.
- Contributing to higher level training in pastoral care and biblical counsel.

3. Individual strugglers find wise pastoral care

This means:

- Producing biblically faithful resources for a wide range of difficulties.
- Increasing awareness of vocational counsellors who use a biblical counselling approach.

These three ministry aims will be underpinned by the following operational aim and goals:

4. Organisational infrastructure enables sustainable growth

This means:

- Pursuing long-term financial sustainability through sound financial management.
- Expanding our development programme to effectively resource BCUK's vision.
- Establishing a robust operational infrastructure that underpins the next 5 years of growth.
- Strengthening our communications and marketing.
- Strengthening our HR management to nurture employees and optimise organisational performance.

Charitable Activities and Main Achievements

We have now completed year one of our five-year plan. The following summary describes the progress for each of our four priorities for the year to 31 August 2024.

Strategic Priority 1: Pastors and people share a rich pastoral vision

- **Objective 1. Supporting and resourcing church leaders to help them build church communities which embrace one-anothering.**

Church-based Intern Scheme: Wonderfully we were able to partner with fifteen local churches across the UK during the year by training and mentoring Interns based in their churches. Interns have worked with their church leadership to develop pastoral care structures that undergird wise care, led groups like Real Change or seminars on a variety of topics and met with individuals for 1:1 conversations. All these activities have helped churches grow in wise conversations with one another and establish deeper confidence that there is help and hope to be found in the wisdom of God, for all of life's experiences. We have been pleased to receive an increasing number of applications from churches located in, or ministering to, areas of deprivation.

Dynamics of Biblical Change for Sabbaticals: We want to equip and support church pastors in their ministry in ways that nourish their personal discipleship and help them care well for the church communities they serve. Whilst studying this course, pastors and other ministry leaders are given the opportunity to have three meetings with someone experienced in biblical counselling ministry to explore these areas. This course has continued to prove popular, with 8 church leaders taking the course this year.

Conferences: Our annual residential conference on 'Loss: The Hope of Christ in Sorrow' was especially relevant for church leaders who so often face the difficult task of supporting those experiencing loss in all sorts of forms. Two seminars were held with pastors especially in mind, 'Preaching on Lament' and 'Speaking about Death: Pastoral Compassion in Death, Dying and Bereavement', which were extremely well received. For the first time we ran three regional conferences in Edinburgh, Exeter and Essex on 'Grieving with Hope' with associated pastor's conferences on 'Pastoring those who mourn'. We were delighted that over 150 pastors/church leaders attended these events.

- **Objective 2. Providing training and resources to encourage personal growth and skills in conversational ministry.**

Certificate Programme: Significant time was spent earlier this year redesigning BCUK's flagship training programme. The launch in March 2024 of the new 'Certificate Programme' unveiled a three-level programme with Foundation, Intermediate and Advanced Certificates each with a mix of brand-new courses alongside courses which have been revised to bring them up to date and ensure they better suit UK students.

During 2023-24 we had 102 first-year students and 97 second-year students enrol in the autumn, studying in London, Edinburgh, Liverpool, Bath, Belfast and Sheffield, and online. The six-month version of

the Dynamics of Biblical Change course which ran in January 2024 had 95 students enrol – the highest number so far. The online and six-month options are proving increasingly popular, so plans have been made to increase the number of online cohorts in January 2025 to respond to demand.

External speaking: BCUK provided speakers for training events held by 36 local churches, 14 para-church organisations and 6 theological colleges. Staff also spoke at 3 regional conferences, 5 national conferences (including the Keswick Convention and Bible by the Beach) and an overseas conference hosted in Poland. Across these events over 6,500 people were taught and encouraged through teaching on the principles and practices of biblical counselling and pastoral care within the local church, as well as topical issues such as anger, anxiety, depression, domestic abuse, identity and loss.

Regional Interest Groups: Eager to support those meeting informally across the country to discuss conversational ministry, we established a 'Friends Scheme' whereby groups can choose to link themselves to BCUK. The groups are either Network (people who are eager to learn more about conversational ministry more generally) or Alumni (people who have studied with BCUK and eager to hone the skills learned within the Certificate Programme). Fourteen groups currently exist with new groups being established soon. By linking to BCUK, groups receive a point of contact with a senior member of staff who will happily act as a sounding board and offer support, as well as providing opportunity to advertise their group on our website, provision of speakers for events, an annual newsletter sharing news ideas, and advice on putting on larger regional events.

Strategic Priority 2: Experienced carers deepen their wisdom and skill

With limited resources we decided to make this strategic priority a focus in future years. However, we are pleased to highlight the following items:

- **Objective 3. Developing, and supporting, consultation and supervision for vocational counsellors.**
Ministry Support Groups: During the year we were excited to make plans to launch Ministry Support Groups in September 2024. Two groups will be offered: Conversation and Counselling. The latter group is specifically for vocational counsellors or those offering counsel at the level of more complex pastoral problems. See 'Plans for Future Periods' for more information.

David Powlison Memorial Grants: These annual grants are designed to further the growth of biblical counselling by promoting relevant advanced study/research at academic institutions in the UK. Three grants were made in 2023-24 totalling £3,500 and supported advanced study in Trauma Treatments and Child & Adolescent Psychotherapeutic Counselling.

- **Objective 4. Contributing to higher level training in pastoral care and biblical counsel.**
Engagement with Theological Colleges: During the year Steve Midgley delivered twenty hours of teaching for the Masters in Theology: Biblical Counselling module at Union School of Theology and twelve hours of teaching for the BA in Theology, Ministry and Mission: Introduction to Pastoral Care module at Ridley Hall, Cambridge, bringing the distinctives of a biblical counselling approach to pastoral care to the next generation of church leaders. Andrew Collins delivered four days of teaching on a Pastoral Care and Reflective Practice module to Union Theological College ministry students and contributed a day to the Irish Baptist College MTh module Pastoral Studies: Care & Practice.

Roundtables: Two Roundtables were held during the year, the first exploring how biblical counselling and evangelism intersect, and the second exploring trauma – to help fuel thinking in preparation for the 2025 annual conference on that topic. These events bring together those engaged in more rigorous thinking about biblical counselling and its development in the UK.

Strategic Priority 3: Individual strugglers find wise pastoral care

- **Objective 5. Producing biblically faithful resources for a wide range of difficulties.**

Books: Helen Thorne-Allenson has written two books: '5 Things to Pray for a Suffering Friend' was launched in March, and 'A (Female) Student's Guide to Purity in a Porn-Saturated Culture' was completed in the summer of 2024 and has recently been launched as part of the Christian Focus 'Track' series. Steve Midgley has been writing a book about trauma that will be published in March 2025 to complement our annual conference on this topic.

Website: 2023-24 saw investment in a new website and branding to help raise BCUK's profile and enable people to find resources more easily. There has been a 65% increase in website hits since switching to the new website in December 2023. A new 'Topics in Pastoral Care' themed resource section has proved popular and an online library of resources brings together all our blogs, conference audio, factsheets, courses, devotions and much more, providing a suite of material to help individual strugglers. These include:

Courses: To complement the annual conference on 'Loss', a six-session discussion guide for use within the local church was produced called 'Grief Gathering' with the aim of helping people explore their experience of grief from a biblical perspective. This downloadable course is available free from the BCUK website.

Devotions: 'His Compassions Never Fail' is part of our suite of 'Loss' resources - a 22-day set of devotions working through the book of Lamentations, with a focus on infertility. 'Practising Prayer with Lancelot Andrewes' – a 7-day set of devotions reimagining and modernising Lancelot Andrewes prayer book. Both downloadable and free from the BCUK website.

Blogs: 1,800 people received our fortnightly news and blog mailing, with blogs also accessible to users via our website, categorised by topic.

- **Objective 6. Increasing awareness of vocational counsellors who use a biblical counselling approach.**

The number of vocational biblical counsellors in the UK is still very small. Most have long waiting lists and many are unable to take on new counselees. While BCUK does not currently offer any accreditation or endorsement of individuals, we are committed to increase the number working as vocational biblical counsellors. Once more are serving in this way, we will explore how we can most helpfully raise awareness of their ministry.

There have been opportunities to link BCUK Interns with para-church organisations for referrals and training. This ministry is relatively small at the moment as most Interns are engaged almost exclusively in their local church ministry contexts.

Strategic Priority 4: Organisational infrastructure enables sustainable growth

This has been a key priority over the last year. Our objectives, with achievements to date, are to:

- **Pursue long-term financial sustainability through sound financial management**

This year we have sought to improve internal financial reporting and monitoring, ensure more accurate budgeting and identify new income streams. Our aim is to achieve a balanced budget in five to six years' time and these initiatives will better enable the Trustees and leadership team to realise that aim.

- **Expand our development programme to effectively resource BCUK's vision**

The generous grant from the Lauderdale Trust of £230k over 3 years, in addition to a generous donation of £200k, enabled us to make a significant step-change in our ministry and double our staff team in September 2022. This rapid growth has opened lots of doors for ministry, yet we are conscious of not having established a regular donor base or grant income that will support this expanded ministry on an ongoing basis. From next year we are projecting large annual deficits although our designated reserves

will cover this initially. Wonderfully, we had a 15% increase in our donor base to 93 donors (2022-23: 81 donors) but we need double this figure to achieve financial sustainability.

Initiatives taken to expand our development work have been:

- Expanding the opportunities to give by introducing a Go-cardless donate facility on our website, a dedicated area on our website for US donors, the launch of our Conference Bursary fund with an option to donate included with conference bookings, and also the promotion of legacy giving.
- Creating our first illustrated annual report that was distributed to current and potential donors and grant-makers.
- Submission of grant applications to fund new ministry projects.
- Planning a major fundraising campaign to be launched in 2025.

- **Establish a robust operational infrastructure that underpins the next five to ten years of growth**

Our CRM (Beacon) continues to be developed and implemented across the organisation and will become our central 'hub' for data storage. For the first year all conference bookings were made through this system which improves efficiency and enables real-time monitoring of data.

To provide for continued growth in student numbers on our Certificate programme, we established a Trainee Tutor programme to develop new Tutors. This has already allowed the addition of new geographical venues and will provide the possibility of further online cohorts as well.

An internal compliance review identified the need for our Tutors and Graders to be moved to casual worker agreements and be remunerated through our payroll. Trainee Tutors and Mentors were also given volunteer agreements to better reflect the relationship we have with them and their roles at BCUK. We are thankful to God for the way all so tirelessly serve our Certificate Programme students and Interns.

Other improvements have been made to help streamline processes and best utilise technology. During the year our safeguarding policy was reviewed by Christian Safeguarding Services with a small number of recommendations made and implemented. A review of all employment policies is also nearly complete, ensuring that, as far as possible, they reflect the latest legislation and best practice.

- **Strengthen our communications and marketing to raise the profile of BCUK**

New BCUK branding and a new website with greater functionality have had a significant impact, along with a concerted marketing campaign using social media. Over the last year we have had 500 new social media followers (a 22% increase on prior year).

Nearly 1,900 people receive our fortnightly news mailing list and 950 people receive the monthly 'Prayer & Financial News'. These represent increases on prior year of 9% and 5% respectively. Having a regular communication about how peoples' gifts are being used, and visually showing examples of the impact of their donations, seems to have contributed to the increase in our donor base.

- **Strengthen our HR management to nurture employees and optimise organisational performance**

Our people are our greatest asset and we want all staff to flourish in their roles at BCUK. Each week there are three staff prayer meetings, as well as monthly staff updates, termly in-person team days and regular supervisions between staff and their line managers. In all these ways we seek to nurture employees and ensure they are both clear on, and equipped for, their work objectives.

Financial Review

Income

We thank the Lord for the way the prayers and generosity of our Partners has made the work of BCUK possible. We are especially thankful for a one-off donation of £200k (received in 2021-22) and a grant of £230k over 3 years from The Lauderdale Trust with the final instalment being paid this year. This **financial support** enabled us to bring about a step-change in BCUK's staffing and ministry in 2022-23 with the doubling of our staff team. It also enabled us to create a Ministry Sustainability Fund (a designated fund) which will help cover around 75-80% of the large annual cash shortfalls projected over the next five years with the Lauderdale Trust grant coming to an end. The aim is for this to keep BCUK's ministry sustainable at its current size whilst we urgently seek to expand our donor base and partner with new grant-making trusts.

During 2023-24, **regular giving** grew by 21% (2022-23: 10%). **One-off gifts** were lower than prior year at £39k (2022-23: £56k). It is envisioned this donor base will steadily grow over the coming years.

Income from students taking **Certificate Programme** courses grew to £282k (2022-23: £265k) primarily a result of the increase in popularity of 6-month courses. We have expanded this offering, and students can now choose to take Dynamics of Biblical Change, Helping Relationships or Church Pastoral Care over 6-months.

Expenditure

The drop in expenditure to £641k (2022-23: £680k) was due to various one-off payments last year, including the costs of re-branding and launching a new website. We pray these will enable users to more easily identify us and access our resources and training. This has integrated with our CRM bringing efficiencies to our workflows.

Reserves

To better reflect how the Trustees are intending to use the reserves, two designated funds have been created:

- **Ministry Sustainability Fund** (£398k) – This money has been set aside to help cover future deficits, and keep BCUK's current ministry sustainable, until the charity is able to breakeven with its income covering its costs. At its current level, the fund would cover approximately 75-80% of the projected deficits for the next five years. It is expected the Fund will steadily reduce over the next five years and that the planned needs of BCUK will be met by a growing regular donor base and partnering with new grant-making trusts. If donation and grant income does not increase over the coming years, the ambition for BCUK's gospel ministry will inevitably need to reduce.
- **Emergency Reserve** (£132k) – In the event that the charity needed to close this fund would be used to pay redundancies and meet outstanding financial commitments. The balance is calculated as three months of staff costs.

Free reserves that are neither restricted, nor designated, amounted to £23k at year-end.

Plans for Future Periods

The **Certificate Programme** that we offer is central to the way we support churches and help them improve the pastoral care they provide to their congregations and communities. In the coming year we will be producing three new courses that bring the riches of biblical counselling wisdom into fresh areas for a UK audience (Relationships in Life and Church; Helping Everyday Problems; Counselling Embodied Souls), an Intermediate Skills Day and an Advanced Skills Training course. Raising funds for the creation of these courses is a focus of our 2025 fundraising campaign.

It is a priority for us to create **short courses** for those who would like to gain an insight into a biblical counselling approach to pastoral care, but may not have the time to take Dynamics of Biblical Change. We are thrilled that Autumn 2024 will see the filming of 'The Bible in Pastoral Care' – a 5-session course to help congregation members gain confidence in opening Scripture with their brothers and sisters in Christ in the hard times. And 'Distinctives' - another 5-session course looking at what is unique about biblical pastoral care, and how such distinctives can be embodied in the local church.

Developing our support for **church pastors** is also a focus of our fundraising campaign in 2025. Our contemporary society is bringing many new demands and new expectations, and these are leaving pastors feeling increasingly ill-equipped and overwhelmed. There is a growing crisis of recruitment, retention and burn out. We want to equip and support pastors in their ministry in ways that both nourishes their own discipleship and helps them care well for the church communities they serve. Over the next three years we want to expand our support to pastors through providing tailored resources for personal growth and ministry activities, expanding our capacity to offer DBC for Sabbaticals, and creating opportunities for pastors to reflect on their pastoral care structures and practices.

The **residential conference** in 2025 will focus on trauma and Christ's comfort in deep suffering. New resources specific to the conference theme will be made available including a book on trauma written by Steve Midgley. A newly created 'Conference Bursary Fund' will be used in two ways: to help individuals attend BCUK conferences who otherwise would not be able to afford to attend, and to subsidise the overall conference cost to keep our fees as low as possible for everyone.

All of this will be undertaken alongside our ongoing resource creation, training of Interns, tutoring of students, and speaking at events across the UK. We are conscious that all these plans ultimately rest in the Lord's hands and are thankful for his gracious provision and faithfulness over the last year.

Rev'd Mike Warren
Chair



Date:

19.10.24

BIBLICAL COUNSELLING UK
INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustees of BIBLICAL COUNSELLING UK

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

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

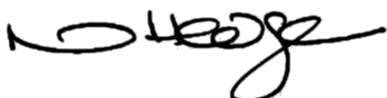
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 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.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



N J Hedger BFP FCA CTA

*Chater Allan LLP
7 Quay Court
Colliers Lane
Stow-cum-Quay
Cambridgeshire
CB25 9AU*

Date: 24 October 2024

BIBLICAL COUNSELLING UK
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024

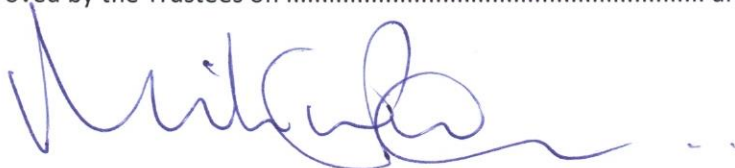
	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023-24 £	Total 2022-23 £
Income	3					
Donations and legacies		132,841	-	94,000	226,841	201,932
Charitable activity						
Advancement of Christian gospel		421,542	-	-	421,542	403,202
Investment Income		4,153	-	-	4,153	44
Total Income		558,536		94,000	652,536	605,158
Expenditure	4					
Charitable activity						
Advancement of Christian gospel		537,106	-	94,000	631,106	672,419
Fundraising		9,489	-	-	9,489	8,068
Total Expenditure		546,595	-	94,000	640,595	680,487
Net Income/(Expenditure)		11,941	-	-	11,941	(75,300)
Transfer Between Funds						
Transfer (to) / from Designated Funds	12	(530,244)	530,244	-	-	-
Transfer (to) / from Restricted Funds	13	-	-	-	-	-
Net Movement in Funds		(518,303)	530,244	-	11,941	(75,329)
Total Funds Brought Forward		542,766	-	-	542,766	618,095
Total Funds Carried Forward		24,463	530,244	-	554,707	542,766

Income and expenditure is derived solely from continuing operations.

**BIBLICAL COUNSELLING UK
BALANCE SHEET
AS AT 31 AUGUST 2024**

	Note	2024 £	£	2023 £	£
Current Assets					
Debtors	8	55,115		39,285	
Cash at Bank and In Hand		<u>628,858</u>		<u>607,726</u>	
		683,973		647,011	
Current Liabilities					
Creditors Due Within One Year	9	<u>129,266</u>		<u>104,245</u>	
NET CURRENT ASSETS			554,707		542,766
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>554,707</u>		<u>542,766</u>
NET ASSETS			<u>554,707</u>		<u>542,766</u>
FUNDS					
Unrestricted	11		24,463		542,766
Designated	12		530,244		-
Restricted	13		-		-
			<u>554,707</u>		<u>542,766</u>

Approved by the Trustees on 19.10.24 and signed on its behalf by:



Rev'd Mike Warren (Chair)

BIBLICAL COUNSELLING UK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	16	<u>21,132</u>	<u>(90,321)</u>
Change in cash and cash equivalents in the reporting period	17	<u>21,132</u>	<u>(90,321)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>607,726</u>	<u>698,047</u>
Cash and cash equivalents at the end of the reporting period		<u>628,858</u>	<u>607,726</u>

BIBLICAL COUNSELLING UK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention. The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

2 STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared using the accruals basis of accounting. The accounts present a true and fair view and the accounting policies adopted are those outlined below. No changes to accounting estimates have occurred in the reporting period and no material prior year errors have been identified.

The Trustees consider that the adoption of the going concern basis continues to be appropriate in light of:

- the significant cash reserves; and,
- the fact that the Certificate Course expenses are highly correlated with course income and are funded through advance payment by course participants.

2.1 INCOME

Recognition of Income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Donations and honorariums are reported gross and any related payment processing costs are reported in expenditure. Donations receivable for the general purposes of the charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Trustees of Biblical Counselling UK.

Royalties from book sales that are given directly to BCUK from the publisher, on the instruction of the author(s), are treated as donations receivable.

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Support costs

The charity has incurred expenditure on support costs.

Investment income

This is income from interest and is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.2 EXPENDITURE AND LIABILITIES**Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Fundraising costs

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes the proportion of salary costs (allocated according to staff time) that relates to fundraising and development work.

Governance and Support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Grants with performance conditions

Liabilities arising from legal or constructive obligations that commit the charity to expenditure are recognised in the accounts in full when all of the following criteria are met:

- **Obligation** – a present legal or constructive obligation exists at the balance sheet date as a result of a past event.
- **Probable** – it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement.
- **Measurement** – the amount of the obligation can be measured or estimated reliably.

Deferred Income

Termly fees for the Certificate Course are received from students in advance and accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the course takes place.

Provisions for Liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

3 ANALYSIS OF INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023-24 £	Total 2022-23 £
Donations and legacies:					
Donations and gifts	100,957	-	-	100,957	123,457
Grants	21,955	-	94,000	115,955	70,820
Gift Aid	9,929	-	-	9,929	7,655
	<u>132,841</u>	<u>-</u>	<u>94,000</u>	<u>226,841</u>	<u>201,932</u>
Charitable Activities:					
Certificate course	282,403	-	-	282,403	264,596
Conferences/Honorariums	137,074	-	-	137,074	135,700
Other income	2,065	-	-	2,065	2,906
	<u>421,542</u>	<u>-</u>	<u>-</u>	<u>421,542</u>	<u>403,202</u>
Investment income:					
Interest	4,153	-	-	4,153	24
	<u>4,153</u>	<u>-</u>	<u>-</u>	<u>4,153</u>	<u>24</u>

4 ANALYSIS OF EXPENDITURE

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023-24 £	Total 2022-23 £
Charitable Activities:					
Certificate course	79,645	-	-	79,645	143,858
Conferences	95,416	-	-	95,416	91,472
Intern scheme - grants	18,500	-	-	18,500	17,900
Intern scheme - other	1,222	-	-	1,222	686
Staff expenditure	305,905	-	94,000	399,905	388,523
Grants	3,500	-	-	3,500	5,075
Other	4,550	-	-	4,550	1,464
Support costs	28,368	-	-	28,368	23,441
Fundraising	9,489	-	-	9,489	8,068
	<u>546,595</u>	<u>-</u>	<u>94,000</u>	<u>640,595</u>	<u>680,487</u>

5 STAFF EXPENDITURE

	2023-24 £	2022-23 £
Wages and salaries	341,300	330,910
Social security costs	25,508	23,561
Pension costs	33,745	33,092
	<u>400,553</u>	<u>387,563</u>

There were ten employees during the year (2022-23: eleven). These costs are included in staff expenditure above in 2023-24. Two employees were paid between £60,000 and £70,000. Key management personnel received remuneration of £60,136.

The difference between the staff expenditure analysed in this note and the total staff expenditure given in note 4 relates to:

- Staff training, expenses and relocation costs not included in this note, and
- £8,442 of salary costs included above, but classified separately in note 4 as fundraising costs, as they relate to employee time spent on fundraising and development work.

6 SUPPORT COSTS

A breakdown of support costs showing the amount spent on governance is detailed below:

	2023-24	2022-23
	£	£
Governance:		
Legal fees	2,237	858
Committee meeting costs and training	3,026	4,692
Independent examiners fees for reporting on the accounts	720	780
Other support costs	22,385	16,762
	<u>28,368</u>	<u>23,441</u>

7 GRANTMAKING

BCUK partners with local churches in providing a grant to fund an 'Intern' for one year in the first instance. Following an annual review of progress and receipt of a written report from the Intern's mentor and local supervisor confirming their satisfactory participation in the Scheme, it is at the sole discretion of BCUK that the internship is extended for a second year, along with any associated grant.

The David Powlison Memorial Grant scheme paid grants during the year to 3 individuals.

Details of the grants made in 2023-24 are below:

	2023-24
	£
Church/Charities	
Free Church North	3,000
Irish Church Missions	6,000
UFM Worldwide	2,000
Individuals	
5 Individual recipients	11,000
	<u>22,000</u>

8 DEBTORS AND PREPAYMENTS

Amounts falling due within one year:

	2023-24	2022-23
	£	£
Accounts receivable	-	-
Gift aid recoverable	630	1,095
Prepayments and accrued income	54,485	38,190
	<u>55,115</u>	<u>39,285</u>

Prepayments of £46,440 relate to deposits paid to the venue where our annual conference will be held in March 2025.

9 CREDITORS AND ACCRUALS

Amounts falling due within one year:

	2023-24	2022-23
	£	£
Accounts payable	7,098	126
Accruals and deferred income	119,743	103,436
Credit card provision	2,425	683
	<u>129,266</u>	<u>104,245</u>

10 DEFERRED INCOME

Termly fees for the Certificate Course are received from students in advance and accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the course takes place.

Movement in deferred income account:

	2023-24	2022-23
	£	£
Balance at the start of the reporting period	99,289	96,812
Amounts added in current periods	115,337	99,289
Amounts released to income from previous periods	(99,289)	(96,812)
Balance at the end of the reporting period	<u>115,337</u>	<u>99,289</u>

11 UNRESTRICTED FUNDS

	2023-24
	£
Balance at 1 September 2023	542,766
Income	558,536
Expenditure	(546,595)
Transfer (to)/from Restricted Funds	-
Transfer (to)/from Designated Funds	(530,244)
Balance at 31 August 2024	<u>24,463</u>

12 DESIGNATED FUNDS

	Ministry Sustainability Fund	Emergency Reserve	Total 2023-24
	£	£	£
Balance at 1 September 2023	-	-	-
Income	-	-	-
Expenditure	-	-	-
Transfer (to)/from Unrestricted Funds	398,309	131,935	530,244
Balance at 31 August 2024	<u>398,309</u>	<u>131,935</u>	<u>530,244</u>

Ministry Sustainability Fund

This money has been set aside to help cover future deficits, and keep BCUK's current ministry sustainable, until the charity is able to breakeven with its income covering its costs. At its current level, the fund would cover approximately 75-80% of the projected deficits for the next five years. It is expected the Fund will steadily reduce over the next five years and that the planned needs of BCUK will be met by a growing regular donor base and partnering with new grant-making trusts. If donation and grant income does not increase over the coming years, the ambition for BCUK's gospel ministry will inevitably need to reduce.

Emergency Reserve

If the charity needed to close this fund would be used to pay redundancies and meet outstanding financial commitments. The balance is calculated as three months of staff expenditure, plus 50% of annual Intern grants and 5% of annual support costs.

13 RESTRICTED FUNDS

	Total 2023-24 £
Balance at 1 September 2023	-
Income	94,000
Expenditure	(94,000)
Transfer (to)/from Unrestricted Funds	-
Balance at 31 August 2024	-

During the year the Lauderdale Trust kindly awarded the final instalment of their 3-year grant of £94,000. This grant was awarded to help BCUK bring about a 'step change' in ministry activities through the increase in senior staff time and administrative support.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023-24 £	Total 2022-23 £
Net Current Assets	24,463	530,244	-	554,707	542,766
Fund Balance	24,463	530,244	-	554,707	542,766

15 OUTSTANDING GUARANTEES AND DEBTS SECURED ON ASSETS

The trustees confirm, in accordance with the Charitable Incorporated Organisations (General) Regulations 2012, that at year end the CIO did not have any outstanding guarantees to third parties nor any debts secured on assets of the CIO.

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

	2023-24 £	2022-23 £
Net income/(expenditure) for the reporting period	11,941	(75,329)
Adjustments for:		
Decrease/(Increase) in debtors	(15,830)	(12,005)
(Decrease)/Increase in creditors	25,021	(2,987)
Net cash provided by (used in) operating activities	21,132	(90,321)

17 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	Cashflow £	2023 £
Cash at bank and in hand	628,858	21,132	607,726
	628,858	21,132	607,726

18 TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

During the year two of the trustees were paid for services provided to the charity:

	2023-24
	£
Sally Orwin Lee	3,782
Joanna Jackson	75
	<u>3,857</u>

Payments to Sally were for teaching and tutoring services provided on the Certificate Course. Payments to Joanna were for recording a video for the annual conference.

Additionally, a trustee received reimbursement of expenses totalling £172.

The wife of Steve Midgley received payment for services amounting to £1,500 for her role as a grader during the year. In addition, she received a discounted ticket price at the annual conference because of her role as a mentor. The amount of benefit was £150. His daughter was also a grader during the year and received £770 as payment for services.

During the year Christ Church Cambridge received a payment of £666 for room hire as one member of BCUK staff worked at this location. The Executive Director, Steve Midgley, is employed part time by Christ Church Cambridge.

When BCUK wishes to engage the services of any close relation of a trustee or the Executive Director in return for payment, this arrangement must be approved by the trustees to ensure it is in the charity's interests.

19 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022-23 £
Income			
Donations and legacies	138,315	63,617	201,932
Charitable activity			
Advancement of Christian gospel	403,202	-	403,202
Investment Income	24	-	44
Total Income	<u>541,541</u>	<u>63,617</u>	<u>605,158</u>
Expenditure			
Charitable activity			
Advancement of Christian gospel	523,047	149,372	672,419
Fundraising	8,068	-	8,068
Total Expenditure	<u>531,115</u>	<u>149,372</u>	<u>680,487</u>
Net Income/(Expenditure)	10,425	(85,755)	(75,300)
Total Funds Brought Forward	532,340	85,755	618,095
Total Funds Carried Forward	<u>542,766</u>	<u>-</u>	<u>542,766</u>