



CROSSLANDS

*Unaudited financial statements
for the year ended 31 July 2023*

Charity number: 1167211

Crosslands

Unaudited financial statements for the year ended 31 July 2023

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Trustees' report for the year ended 31 July 2023

The trustees present their report together with the financial statements of Crosslands for the year ended 31 July 2023.

Objectives and activities

Crosslands exists to provide flexible, accessible, and trusted theological training and resources that support local churches' health, growth and mission.

Crosslands' objectives, as set out in the Constitution, are:

- to provide for the public benefit Christian training to educate and equip church leaders, mainly but not exclusively in the UK, Europe and 10:40 window, to have the knowledge and skills required to care for the spiritual, moral and welfare needs of their churches and wider communities;
- to provide for the public benefit Christian resources that educate church congregations and individuals in accordance with Christian beliefs as outlined in our Statement of Faith; and
- to advance the Christian faith for the benefit of the public in such charitable ways as the Charity Trustees think fit from time to time.

Crosslands' programmes provide leaders and other disciples with relevant and affordable resources for every stage of discipleship and leadership, through all of life. Our delivery model is designed to ensure our programmes will serve churches which have poor access to more traditionally delivered training and resources, either due to socioeconomic factors or location.

The main activities undertaken during the year in relation to these objectives were:

- Delivering and further expanding an accredited **Seminary** programme for students throughout the UK and beyond (the most significant area of activity by some margin).
- Delivering and expanding a suite of flexible, accessible **Foundation** training materials to resource local church training.
- Designing and launching a new theology access programme, **Basecamp**, which provides people with a low-cost, low-risk onramp to more serious theological learning.
- Delivering a range of short courses on cultural engagement and cultural leadership through **Crosslands Forum**.
- Launching and delivering the first cohort of a new programme, '**Cultivate**', designed to raise up a new cohort of biblical thought leaders able to create new resources and to train church leaders and members to engage confidently with current issues in society.
- Designing and preparing for the launch of a new **Lifelong** Learning programme to provide for the ongoing ministerial development of those with many years of experience in ministry who need refreshment or support.
- Consolidating and expanding our annual conference, '**Theology for Life**', run for the second time this year.
- Providing expert speakers and trainers for **other organisations** to help resource local and specialist training initiatives.

Public benefit

When planning the activities, the trustees have applied the Charity Commission guidance in relation to public benefit, in particular, the guidance on the Advancement of Religion for the Public Benefit. The ways that the charity operates for the benefit of the wider public are detailed below:

- The curriculum is developed in such a way as to be contextually adaptable and appropriate. This is to equip and train Christians to intentionally invest in local communities.



Trustees' report for the year ended 31 July 2023 (cont.)

- Content is accessible and relevant to a wide variety of people, including the Foundation and Basecamp programmes, which are accessible to those with little or no formal education.
- The delivery model is designed to make training accessible to people in remote and dispersed locations who would not normally be able to access high-quality training.
- The retail prices of courses and resources are set to ensure that content is available to a wide variety of students, to allow people to integrate study into their current context, and so encourage people to study in groups which we believe provide more effective educational and formational outcomes.
- Crosslands staff are made available to speak and run training courses in a wide range of communities and for a range of other organisations, regardless of their ability to pay for such services.
- Virtually all Crosslands students, course participants and alumni are utilising the benefits of this training to serve local communities both during and after their training with Crosslands. This will include leading church communities, youth and children's work, training younger leaders, providing counselling and pastoral care, and many other forms of community service, including many in very deprived areas.

Achievements and Performance

The **Seminary** programme remained our most significant activity by some margin, with total student numbers continuing to increase year on year and the number of early withdrawals from the programme remaining very low. Enrolments for the next year (completed by the end of July 2023) were on target. This growth is particularly encouraging in the context of ongoing changes in the wider theological education landscape.

We continued to see diversity in our student body in terms of ethnicity, gender and international participation, with around 12% of students from BAME backgrounds and around 30% women being significantly more diverse than other similar organisations.

We piloted a new access level programme, Crosslands **Basecamp**, providing an onramp to structured theological learning for those who have no tertiary education or who cannot commit to the full Seminary programme for any reason. The pilot's success resulted in the programme's full launch the following year.

Sales of **Foundation** courses increased significantly during the year, reflecting the quality of the newly redesigned programme and the relevance of the material, which is reaching a steadily growing number of churches in the UK and internationally. We added two new courses to the curriculum, and small improvements across all courses continued to enhance the learner experience and cater for different learning styles and some accessibility needs.

A new programme of short but advanced level '**Lifelong Learning**' courses was launched during the year, catering for the continued personal and professional development of church leaders and other experienced ministry leaders. We have seen a healthy takeup of places on these courses and will continue to offer them.

Between August and July, there was continued growth in Crosslands **Forum**. A number of short courses and reading groups started, the most popular being three groups (with more to start subsequently) reading through Watkin's Biblical Critical Theory. Perhaps the most significant Forum development was the launch of our first **Cultivate** cohort, a mentored scheme to nurture new voices within the UK church. Finally, we held a Crosslands Forum 24-hour conference in February

Our core staff team has expanded from nine at the start of the year to twelve by the end of the year, and the greater depth and experience of the team has brought more capacity for growth and overall resilience. The number of contracted contributors (tutors and other specialist teaching and content producers) is 17, bringing the total to 29. The appointment of a new Biblical Studies lead, in good time to commence the following academic year's teaching, was the final staff change of the year.

Trustees' report for the year ended 31 July 2023 (cont.)

2022-23 was a year of consolidation for Crosslands, embedding the many changes and diversifications of the previous couple of years whilst continuing steady growth in learners and programmes. This demonstrates that Crosslands is continuing to meet important needs for those we exist to serve and enables us to continue to pursue our longer-term objectives with confidence.

Financial review

The results for the year and the financial position of the charity are shown on pages 8 to 20.

We are pleased to report continued financial health and growth.

During the year, income increased by £50,561, to £687,301, and expenditure increased by £159,946, to £729,784. As a result, the charity had a deficit for the year of £42,483, compared to a surplus of £66,902 in 2022.. The charity's net assets decreased by the same amount to £285,251. Net current assets decreased by £38,818 to £281,920.

Principal risks

The trustees maintain a strategic risk register which is reviewed at least annually and also when new risks are identified or changes to risks become known.

Any damage to key strategic relationships that enable the delivery and accreditation of our seminary programme is recognised as one of the greatest risks for ongoing operations and we therefore actively manage our relationships with those key partners.

Loss or shortage of key staff has the potential to impact our ability to deliver key programmes, whether operationally or academically. This risk has become significantly lower over the past year with our larger and more established staff team, and is further reduced by maintaining a wide base of contractors and associate staff who are able to contribute to programme development and delivery. Codification of course content and improvements to the integration and automation of business processes further mitigates this risk.

Sustaining income and a healthy cash flow has been a strength of the organisation thus far but has become more challenging as costs increase. Appropriate fee increases, continued careful management of costs, and the development of new sources of funding are all helping to limit the impact of cost increases.

Reserves policy

The trustees have considered the charity's requirement for reserves in light of the main risks to the organisation. The Operating Reserve Policy for Crosslands aims to ensure the stability of the organisation's mission, programs, employment, and ongoing operations. The Operating Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Crosslands for Operating Reserves to be used and replenished within a reasonably short period of time. The Operating Reserve Policy will be implemented in concert with the other governance and financial policies of Crosslands and is intended to support the goals and strategies contained in these related policies and strategic and operational plans.

The Trustees have set a target level of reserves equal to four months of average operating costs. Currently, the charity holds unrestricted net current assets of £208,541 (2023: £236,485). This represents 3.5 months of



Trustees' report for the year ended 31 July 2023 (cont.)

average operating costs. The reserve is slightly lower than the previous year because of a strategic decision to expand the staff team to create capacity for handling growth, and investment that will enable us to increase our future income.

The trustees have not identified any significant events that have had a material effect on the financial performance or position of the organisation.

Plans for future periods

Our key aims for the next two years are:

To continue the growth and maturation of the Crosslands Seminary programme, including the establishment of new partnerships that will expand the reach of the programme outside of the UK and Europe.

To continue to extend the scale and reach of our Foundation resources into new markets, enabling us both to serve a wider constituency of churches and to benefit from a return on the investment made in this programme.

To build out the new Basecamp programme from pilot to sustainable scale, providing an accessible route into more advanced theological education for those without prior tertiary education.

To offer (through delivery and publication) the resources being generated by Cultivate programme participants and to recruit two further cohorts for the programme over the next two years.

To extend the Lifelong and Forum short course offerings in both scope and number.

To pilot and evaluate a new programme for church planters and revitalisers.

To extend the application of specialist learning design input (including learning needs support) into more of our courses.

To continue our investment into information technology systems to enable the streamlining, integration and automation of key business processes to help us maintain high standards of service for learners at scale, whilst keeping costs affordable.

Structure, Governance and Management

The organisation is a Charitable Incorporated Organisation, incorporated and registered as a charity on 19th May 2016. The charity is established under a constitution, which contains the objects and powers of the organisation. The constitution was updated on 6th May 2021 to reflect a change in the involvement of the two founding charities.

Responsibility for setting policy and for determining the parameters within which the charity should operate rests with the trustees who meet regularly to monitor the activities of the charity. The trustees have a duty to identify and review the risks to which the charity is exposed, be they operational, financial or reputational, and ensure appropriate controls are in place to provide reasonable assurance against fraud or error. Responsibility for the day-to-day operation of the charity has been delegated to a senior management team led by Jen Charteris.

Recruitment and appointment of new trustees

At any time there must be a minimum of four trustees. The board of trustees is responsible for the appointment of new trustees. Every trustee must be appointed for a term of up to three years by a resolution passed at a

Trustees' report for the year ended 31 July 2023 (cont.)

properly convened meeting of the Charity Trustees. All trustees appointed fully support the charity's aims and objectives.

All trustees work voluntarily and receive no salary from the charity. Any expenses reclaimed or royalties paid from the charity are described in note 7 of the accounts.

Most trustees bring prior experience of governance. Upon appointment, they are provided with key documents and participate in at least two conversations with other trustees. Essential information on how governance works in practice at Crosslands is provided in the form of a governance manual. The trustees conduct a board effectiveness evaluation approximately once every two years.

Organisational structure

The board of trustees governs Crosslands and meets at least three times a year (usually four). The trustees appoint the directors and delegate the day-to-day running of the charity to them. Directors report to the board jointly and participate in an annual review with trustee representatives individually.

The Head of Finance also serves as company secretary and is a member of the executive leadership team.

Pay and remuneration

The trustees adopted a salary scale linked to higher education pay scales in 2020. The trustees set and review pay for directors according to this benchmark. Directors in turn set staff salaries accordingly.

Reference and administrative details

<i>Charity name:</i>	Crosslands
<i>Key Management:</i>	Mrs J Charteris (Executive Director) Dr D Strange (Director of Crosslands Forum) Mrs C Carvel (Head of Finance & Company Secretary)
<i>Trustees:</i>	Mr R Cunnington Mrs M Hendry (appointed 8 February 2023) Mr S McKay Mr P Moore (resigned 29 November 2022) Mr I Roberts Mr D Steel (resigned 31 July 2023) Mrs R McLaughlin (resigned 15 April 2024)
<i>Charity registration number:</i>	1167211
<i>Registered office:</i>	Hadrian House, Newcastle upon Tyne, NE1 8AF
<i>Professional advisors</i>	Stewardship Services (UKET) Limited (Independent Examiners) CAF Bank Ltd (Banker) Kingdom Bank (Banker) Wise (Banker)



Trustees' report for the year ended 31 July 2023 (cont.)

Trustees' Responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires us as trustees to prepare financial statements for each financial period that give a true and fair view of the state of the affairs of the charity, as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, they will:

- select suitable accounting policies and apply them consistently;
- observe methods and principles in the applicable Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- State whether the applicable account standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will not continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Account and Reports) Regulations, and the provision of the Constitution.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that the accounts comply with current statutory requirements and those of the organisation's governing document.

Approval

This report was approved by the trustees and signed on their behalf by:

Ian Roberts

Ian Roberts (May 24, 2024 15:20 GMT+1)

Mr I Roberts (Trustee)

Date: May 24, 2024

Independent Examiner's report to the Trustees of Crosslands for the year ended 31 July 2023

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 July 2023 on pages 8 to 20 following, which have been prepared on the basis of the accounting policies set out on pages 11 to 13.

Responsibilities and basis of the report

As the charity's trustees of the Charitable Incorporated Organisation, 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 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 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 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.

Lourens du Plessis
Lourens du Plessis (May 24, 2024 15:25 GMT+1)

Lourens du Plessis ACA CA (SA)

Member of the Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: May 24, 2024

Statement of financial activities for the year ended 31 July 2023

		Unrestricted Funds Year ended 31 Jul '23 £	Restricted funds Year ended 31 Jul '23 £	Total funds Year ended 31 Jul '23 £	Unrestricted Funds Year ended 31 Jul '22 £	Restricted funds Year ended 31 Jul '22 £	Total funds Year ended 31 Jul '22 £
Description by activity	Note						
Incoming resources							
<i>Income & endowments from:</i>							
Donations & legacies	3	21,429	78,000	99,429	46,519	123,492	170,011
Charitable activities	4	587,871	0	587,871	466,730	0	466,730
Total		609,301	78,000	687,301	513,249	123,492	636,740
Resources expended							
<i>Expenditure on:</i>							
Raising funds	5	11,343	1,671	13,014	10,019	377	10,396
Charitable activities	5	499,363	217,507	716,770	404,713	154,728	559,442
Total		510,605	219,178	729,784	414,733	155,105	569,838
Net income/expenditure		99,295	(141,178)	(42,435)	98,516	(31,614)	66,902
Transfer between funds		(129,505)	129,505	0	(53,509)	53,509	0
Net movement in funds		(30,810)	(11,673)	(42,483)	45,007	21,895	66,902
Reconciliation of funds:							
Total funds brought forward	14	241,948	85,786	327,734	196,941	63,891	260,832
Total funds carried forward		211,139	74,113	285,251	241,948	85,786	327,734

There were no other recognised gains other than those noted above.

The notes on pages 11 to 20 form part of these accounts.

Balance Sheet as at 31 July 2023

		Unrestricted Funds 31 Jul '23	Restricted funds 31 Jul '23	Total funds 31 Jul '23	Unrestricted Funds 31 Jul '22	Restricted funds 31 Jul '22	Total funds 31 Jul '22
	Note	£	£	£	£	£	£
Non-current assets							
Intangible assets	8	733	733	1,467	1,533	1,533	3,067
Tangible assets	9	1,864	0	1,864	3,930	0	3,930
Total non-current assets		2,597	733	3,331	5,463	1,533	6,996
Current assets							
Stock		58	0	58	210	0	210
Debtors	10	31,252	1,000	32,252	27,586	0	27,586
Cash at bank and in hand		226,203	72,379	298,582	254,523	85,375	339,898
Total current assets		257,512	73,379	330,892	282,319	85,375	367,694
Creditors: amounts falling due within one year	11	(48,972)	0	(48,972)	(45,834)	(1,122)	(46,956)
Net current assets		208,541	73,379	281,920	236,485	84,253	320,738
Total assets less current liabilities		211,138	74,113	285,251	241,948	85,786	327,734
Total net assets		211,138	74,113	285,251	241,948	85,786	327,734
Fund Balances							
Restricted income funds	14	0	74,113	74,113	0	85,786	85,786
Unrestricted funds	14	211,138	0	211,138	241,948	0	241,948
Total funds		211,138	74,113	285,251	241,948	85,786	327,734

The notes on pages 8 to 20 form part of the accounts.

Approved by the Trustees for issue on May 24, 2024

Ian Roberts
Ian Roberts (May 24, 2024 15:20 GMT+1)
 Mr I Roberts (Trustee)

Charity registration number 1167211

Cash flow Statement as at 31 July 2023

	Note	Year ended 31 Jul '23 £	Year ended 31 Jul '22 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	15	(41,315)	29,597
Cash flows from investing activities:			
Purchase of property, plant and equipment		0	(4,042)
Net cash provided by (used in) investing activities		0	(4,042)
Cash flows from financing activities:			
Net cash provided by (used in) financing activities	16	0	0
Change in cash and equivalents in the reporting period		(41,315)	25,555
Cash and equivalents at the beginning of the year		339,897	314,342
Cash and cash equivalents at the end of the year		298,582	339,897
Analysis of change in net debt:			
	At start of year £	Cash-flows £	At end of year £
Cash	339,897	(41,315)	298,582
Total net funds/ (debt)	339,897	(41,315)	298,582

Notes to the financial statements for the year ended 31 July 2023

1. Basis of preparation

These financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. These financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act 2011 and UK Generally Accepted Practice as it applies from January 2015.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective since 2005 which has since been withdrawn.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity, therefore, continues to adopt the going concern basis in preparing its financial statements.

The charity constitutes a public benefit entity as defined by FRS 102.

There have been no changes in the accounting policies in the reporting year. No changes to accounting estimates have occurred in the reporting year. No material prior-year errors have been identified in the reporting year.

2. Accounting policies

Recognition of income

Income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes donated facilities, services, and goods. Facilities, services, and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year-end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

Notes to the financial statements for the year ended 31 July 2023 (cont.)

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from seminary fees and other events and courses.

Grants and donations are only included in the SoFA when the general income recognition criteria are met.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on raising funds comprises the costs incurred on fundraising.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the charity is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the strategic management of the charity.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

Intangible fixed assets

The cost of software is capitalised and amortised on a straight-line basis over its expected useful life, which is expected to be three years.

Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Equipment: 3 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

Stocks

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value

Notes to the financial statements for the year ended 31 July 2023 (cont.)

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive).

Foreign currency translation

These financial statements are presented in sterling, which is the charity's functional currency.

- Income and expenditure denominated in a foreign currency are translated into sterling at the exchange rate prevailing on the date of the transaction.
- Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

Notes to the financial statements for the year ended 31 July 2023 (cont.)

3. Donations

	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31 Jul '23	31 Jul '23	31 Jul '23	31 Jul '22	31 Jul '22	31 Jul '22
	£	£	£	£	£	£
Donations of cash & similar	3,337	7,000	10,337	4,201	34,051	38,253
Donations in kind	0	0	0	1,103	0	1,103
Other grants receivable	18,092	71,000	89,092	41,215	89,440	130,655
Total donations	21,429	78,000	99,429	46,519	123,492	170,011

£78,000 of donations received were restricted in nature (2022: £123,492). £49,000 and £22,000 were given to be used to help launch and run Crosslands Forum and the Cultivate programme respectively (2022: £49,000/£40,440). A further £7,000 was received to supplement the fees of any student who suffers financial hardship (2022: £51).

In the prior year, £34,000 was given to fund salaries associated with Partnership development and donations in kind comprised of donated facilities, namely an office that was made available rent-free between May 2022 and September 2022 for administrative activities.

4. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31 Jul '23	31 Jul '23	31 Jul '23	31 Jul '22	31 Jul '22	31 Jul '22
	£	£	£	£	£	£
Fee income	546,020	0	546,020	458,597	0	458,597
Online sales	30,408	0	30,408	2,651	0	2,651
Other	11,443	0	11,443	5,481	0	5,481
Total charitable activities	587,871	0	587,871	466,730	0	466,730

Notes to the financial statements for the year ended 31 July 2023 (cont.)

5. Analysis of expenditure

	Unrestricted Funds Year ended 31 Jul '23 £	Restricted funds Year ended 31 Jul '23 £	Total funds Year ended 31 Jul '23 £	Unrestricted Funds Year ended 31 Jul '22 £	Restricted funds Year ended 31 Jul '22 £	Total funds Year ended 31 Jul '22 £
Expenditure on raising funds:						
Advertising, marketing & publicity	11,343	1,671	13,014	10,019	377	10,396
Total expenditure on raising funds	11,343	1,671	13,014	10,019	377	10,396
Expenditure on charitable activities:						
Course delivery	207,474	824	208,298	164,506	0	164,506
Course development	12,651	18	12,669	7,940	0	7,940
Consumable equipment	4,858	1,027	5,884	11,042	898	11,940
Royalties	703	0	703	2,365	0	2,365
Translation costs				0	0	0
Employment costs	251,032	199,157	450,189	199,478	139,993	339,471
Staff training	1,587	1,127	2,714	535	376	911
Office rental and utilities	5,573	3,959	9,532	4,385	3,081	7,466
Travel and subsistence	4,264	3,711	7,975	4,368	3,283	7,651
Governance costs	309	220	529	0	0	0
Administrative costs	10,512	7,464	18,276	10,095	7,097	17,192
Total expenditure on charitable activities	498,963	217,507	716,770	404,713	154,728	559,442
Total expenditure	510,306	219,178	729,784	414,733	155,105	569,838

£180,957 of restricted expenditure in the year related to the development and delivery of Crosslands Forum (2022: £154,207), £26,050 was incurred on the the delivery of the Cultivate programme (2022: £898) and £12,174 was spent on Partnership development (2022: £nil).

6. Fees for examination or audit of the accounts

Fees of £3,120 were paid in relation to the independent examiner's fees for reporting on the accounts (2022: £2,820). In addition, the charity paid £1,126 (2022: £945) to Stewardship for payroll bureau services.

Notes to the financial statements for the year ended 31 July 2023 (cont.)

7. Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	<i>Year ended 31 Jul '23</i>	<i>Year ended 31 Jul '22</i>
Wages and salaries	374,277	285,673
Social security costs	34,074	25,815
Other pension costs	29,793	22,056
	438,143	333,544

The average monthly number of employees during the year was nine (2022: eight).

<i>Employee's emoluments exceeding £60,000 (excluding pension contribution)</i>	<i>Year ended 31 Jul 23</i>	<i>Year ended 31 Jul '22</i>
£70,000 - £80,000	1	1
£60,000 - £70,000	1	1

The key management personnel of the charity comprise the trustees named on page 6, the Executive Director of Crosslands, the Director of Crosslands Forum and the Head of Finance.

During the year, key management received employee benefits totalling £185,586 (2022: £169,396).

No expenses were paid to trustees in the current year (2022: none).

8. Intangible fixed assets

	<i>Website £</i>	<i>Total £</i>
Cost		
At 1 August 2022	4,800	4,800
Additions	0	0
At 31 July 2023	4,800	4,800
Amortisation		
At 1 August 2022	1,733	1,733
Charge for the year	1,600	1,600
At 31 July 2023	3,333	3,333
Net book value		
At 31 July 2023	1,467	1,467
At 31 July 2022	3,067	3,067



Notes to the financial statements for the year ended 31 July 2023 (cont.)

9. Tangible fixed assets

	Computer Equipment £	Total £
Cost		
At 1 August 2022	6,197	2,155
Additions	0	4042
At 31 July 2023	6,197	6,197
Accumulated depreciation		
At 1 August 2022	2,268	539
Charge for the year	2,066	1,729
At 31 July 2023	4,333	2,268
Net book value		
At 31 July 2023	1,864	3,930
At 31 July 2022	3,930	1,616

10. Debtors

	31 July 2023 £	31 July 2022 £
Trade debtors	1,275	4,714
Tax recoverable	1,000	0
Other debtors	1,996	2,759
Prepayments and accrued income	27,982	20,113
	32,253	27,586

11. Creditors: amounts falling due within one year

	31 July 2023 £	31 July 2022 £
Trade creditors	8,255	8,263
Accruals	30,911	11,571
Deferred income (note 12)	9,805	27,121
	48,972	46,956

Notes to the financial statements for the year ended 31 July 2023 (cont.)

12. Deferred Income

	31 July 2023 £	31 July 2022 £
Balance at the beginning of the reporting period	27,121	42,880
Amount released to income	(27,121)	-39,130
Amount deferred in year	9,805	23,371
Balance at the end of the reporting period	9,805	27,121

All deferred income related to student fees paid in advance for the following academic year. The income deferred at the period end will be released to income over the following periods:

	31 July 2023 £	31 July 2022 £
Within one year	9,305	27,121
After one year	500	0
	9,805	27,121

13. Pension commitments

During the year employer's pension contributions totalling £29,793 (2022: £22,056) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2022: £nil).

14. Charity funds

During the year the movements in the charity's funds were as follows:

<i>Fund name</i>	1 Aug '22 £	Income £	Expenditure £	Transfers £	31 July '23 £
Restricted - Turkish translation project	1,074	0	0	0	1,074
Restricted - Polish translation project	954	0	0	0	954
Restricted - Russian translation project	6,782	0	0	0	6,782
Restricted - Seminary bursary	1,900	7,000	1	(1,650)	7,251
Restricted – Crosslands Forum	1,534	49,000	(180,956)	131,155	733
Restricted -Cultivate	39,542	22,000	(26,050)	0	35,492
Restricted - Partnership	34,000	0	(12,174)	0	21,826
Unrestricted funds	241,948	609,301	(510,305)	(129,505)	211,439
	327,734	687,301	(729,484)	0	285,551

Notes to the financial statements for the year ended 31 July 2023 (cont.)

The restricted funds represent funds made available for:

- the translation of foundation material from English into Russian, Polish and Turkish;
- costs incurred in relation to setting up and running Crosslands Forum;
- costs incurred in relation to setting up and running the Cultivate programme;
- employment costs associated with the development of Partnerships and fundraising; and
- a student bursary to supplement the fees of any student who suffers financial hardship in order to allow them to continue on the seminary programme.

£1,650 of the Restricted - Seminary Bursary fund was utilised in the year. The corresponding transfer relates to the movement of funds to accommodate this. The transfer of £131,155 from Unrestricted funds to Restricted - Crosslands Forum is to offset the deficit in the fund as a result of a deficit in the fund at the year-end.

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted funds £	Restricted Partnership £	Restricted Cultivate £	Restricted Forum £	Restricted Bursary £	Restricted Translation £	Total £
Intangible fixed assets	733	0	0	733	-	-	1,466
Tangible fixed assets	1,881	0	0	-	-	-	1,881
Stock	58	0	0	-	-	-	58
Debtors	31,252	0	0	-	1,000	-	32,252
Cash at bank and in hand	226,203	21,826	35,493	0	6,251	8,810	298,582
Creditors due within 1 year	(48,672)	0	0	0	-	-	(48,672)
	211,455	21,826	35,493	733	7,251	8,810	285,567

In the previous year the movements in the charity's funds were as follows:

<i>Fund name</i>	1 Aug '21 £	Income £	Expenditure £	Transfers £	31 July '22 £
Restricted - Turkish translation project	1,074	0	0	0	1,074
Restricted - Polish translation project	954	0	0	0	954
Restricted - Russian translation project	6,782	0	0	0	6,782
Restricted - Seminary bursary	4,850	51	(1)	(3,000)	1,900
Restricted - Crosslands Forum	50,231	49,000	(154,206)	56,509	1,534
Restricted - Cultivate	0	40,440	(898)	0	39,542
Restricted - Partnership	0	34,000	0	0	34,000
Unrestricted funds	196,941	513,249	(414,733)	(53,509)	241,948
	260,832	636,740	(569,838)	0	327,734

Notes to the financial statements for the year ended 31 July 2023 (cont.)

Analysis of net assets by fund

In the previous year the assets and liabilities of the various funds were as follows:

	Unrestricted funds £	Restricted Partnership £	Restricted Cultivate £	Restricted Forum £	Restricted Bursary £	Restricted Translation £	Total £
Intangible fixed assets	1,533	0	0	1,533	-	-	3,066
Tangible fixed assets	3,930	0	0	-	-	-	3,930
Stock	210	0	0	-	-	-	210
Debtors	27,586	0	0	-	-	-	27,586
Cash at bank and in hand	254,523	34,000	39,542	1,122	1,900	8,810	339,897
Creditors due within 1 year	(45,834)	0	0	(1,122)	-	-	(46,956)
	241,948	34,000	39,542	1,533	1,900	8,810	327,733

15. Reconciliation of net income to net cash flow from operating activities

	31 July 2023 £	31 July 2022 £
Net income for the reporting period	(42,183)	66,902
<i>Adjustments for:</i>		
Depreciation charges and provisions for impairment	3,666	3,329
(Increase)/decrease in stocks	151	(210)
(Increase)/decrease in debtors	(4,665)	(11,008)
Increase/(decrease) in creditors	1,716	(29,415)
Net cash provided by (used in) operating activities	(41,315)	29,597

16. Analysis of cash and cash equivalents

	31 July 2023 £	31 July 2022 £
Cash at bank with immediate access	288,582	339,897
Notice deposits (less than three months)	10,000	0
Total cash and cash equivalents	298,582	339,897

17. Related party disclosures

Related parties are defined as trustees, key management and their connected persons.

A trustee, Mr R Cunnington is a trustee of the City Church Manchester CIO and is regarded as senior management. During the period, the charity received payments from City Church Manchester CIO totalling £1,560 (2022: £0) for fees due in relation to a City Church Manchester staff member enrolled on Crosslands' seminary programme. £3,000 (2022: £0) was paid to City Church Manchester CIO to compensate them for material that Ralph Cunnington provided in relation to the development of two new foundation courses.

No other transactions with related parties occurred during the year except as disclosed in note 7, 'Analysis of staff costs'.