

Charity registration number 288011

Company registration number 01758668 (England and Wales)

ST AUGUSTINE'S COLLEGE OF THEOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

ST AUGUSTINE'S COLLEGE OF THEOLOGY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Rev'd Dr A Gregory	
	The Rev'd Canon R Swyer	
	The Rev'd J Croucher	
	The Rev'd D Clifton	
	Dr J Moss	
	Mr A Strawson	
	The Rev'd N Stanley	(Appointed 9 March 2023)
	Bishop M Gainsborough	(Appointed 21 November 2023)
Charity number	288011	
Company number	01758668	
Registered office	52 Swan Street	
	West Malling	
	Kent	
	ME19 6JX	
Auditor	Crossley Financial Accounting	
	Star House	
	Star Hill	
	Rochester	
	Kent	
	ME1 1UX	

ST AUGUSTINE'S COLLEGE OF THEOLOGY

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ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "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 for accounting periods commencing from 1 January 2019).

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance. They are satisfied that St Augustine's meets such guidance.

Long Term Objectives

In its governing document, the object of St Augustine's is to "advance the Christian religion by the promotion of theological education and training".

St Augustine's core purpose is to serve its sponsoring Anglican dioceses by providing programmes of ministerial formation and theological education, accessible to people living or working in London and the South-East. In addition, members of other Christian denominations are welcome to undertake St Augustine's theological programs as 'independent' students.

At present, St Augustine's fulfils its core purpose through three major activities:

- Providing an accredited programme of ministerial formation through part-time or full-time study for sponsored ordained ministry candidates from the Anglican Churches. This programme is also open to qualified candidates from other Christian denominations.
- Providing an agreed programme of ministerial formation through part-time study for sponsored candidates for licensed lay ministry from the Diocese of Canterbury, the Diocese of Southwark and the Diocese of Chichester. Administering the accreditation and managing quality control, as well as providing some teaching and curricular consultation, for the post ordination programme (IME Phase 2) offered in Chichester Diocese.
- Making Common Awards certificate, diploma, BA and post graduate qualifications (Graduate Diploma; MA) available to students interested in theological education but not training for ordination or licensed lay ministry. Supervising Ph.D. students by arrangement with the Department of Theology, University of Durham.

Short Term Objectives

- Developing online education both to provide flexibility of access to students in London and the South-East and enable distance learning outside this region.
- Design and implement new MA program in 'Theology and Climate Crisis'.
- Raise funding to develop the above into a 'Theology and the Environment' centre that will establish ecologically focused MA placements for activism and education in parish churches.
- Offering short courses and workshops for both lay interest and the continuing education of licensed and ordained ministers.
- Complete the development and implementation of formation for 'diversity and inclusion' that engages all students and staff.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 AUGUST 2023***

In order to fulfil its core purpose, St Augustine's needs to do the following on a year-by-year basis:

- Ensure these current activities are properly resourced, effectively managed, delivered in accordance with national frameworks and agreed documentation, and developed in the light of national policy, regional priorities, student and stakeholder feedback, as well as its own evaluation and assessment procedures.
- Monitor the extent to which the range of its current activities provides the quality of ministerial formation and theological education necessary to meet the needs both of its sponsoring churches and of independent students. To continue to develop curricular initiatives designed to broaden both the educational services provided by St Augustine's and the constituency the College serves.

The structure of governance and management set out further in the report is designed to support these aims and is effective in enabling them to be met.

Achievements and performance

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

REVIEW OF ACTIVITIES

1. During the year to 31 August 2023, 67 (2022: 69) Ministerial Students were in training for ordination at St Augustine's. There were 5 Readers in Training from the Diocese of Canterbury (2021:8); 6 from the Diocese of Southwark (2022: 19) and 6 again from the Diocese of Chichester (2022: 4). The independent pathway had another slight decline with 69 students overall. (2022: 72).

Results: through recruitment events, regular contact with diocesan officers, the Principal's involvement with Bishops and DDOs (Diocesan Directors of Ordinands), education days for associate tutors, and Council of Reference meetings, St Augustine's has succeeded in strengthening relationships with the dioceses it serves, as demonstrated by the enthusiastic participation of diocesan officers in the PER during the past year (see below).

1. Despite the lower number of ordinands nationally brought about by the introduction of a new discernment process recruitment for 2022-23, saw a good number of ordinand applications 29 (2022: 29). The number of applications received by August 2023, for the 2023-24 academic year however dropped to (21) largely in part to the delays in the new discernment system. Independent student applications stalled again this year – in part due to the continuing pressures of the cost-of-living crisis. Nonetheless, recruitment overall compares well with other Church of England colleges.

Results: the college has maintained its diversity in terms of gender, ethnicity, social and educational background, and theological tradition. This continues to have a decisive impact on individual education in terms of generating understanding and developing skills for Christian ministry and discipleship within a diverse church, one currently wrestling with a number of controversial issues at the national level.

As reflected in the recent quinquennial Periodic External Review (PER), the college provides an environment that successfully models the practice of community learning across cultural and theological diversity.

In terms of clerical appointments and future careers, the attention the college gives to diversity, allows students to serve successfully in a greater variety of social and ecclesial contexts.

1. Fundraising raised £17,161 for the Tattersall Fund. The College also signed a contract with Charity Spark, a fundraising consultancy business. This will cost approx. £17,000 spread over 2 years. Charity Spark's work with the college is expected to increase significantly the income raised through fundraising.

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously. The Trustees have reviewed the Charity Commission publication 'Charity fundraising: a guide to trustee duties' (CC20), and, having considered the College's activities, are confident that its obligations are being fulfilled. Prior to the new fundraising partnership, the majority of fundraising was from students and alumni of St Augustine's and visitors to its website. The new fundraising strategy is still being finalised but the College does not actively solicit donations from the general public more widely. The trustees are not aware of any complaints made in respect of fundraising during the period.

1. Since September 2015 Durham University has accredited all new programmes and students under the Church of England's Common Awards programme. Under this accreditation, St Augustine's offers certificate, diploma (both undergraduate and graduate) and degree courses (BA and MA). Since September 2019, the college has offered a Ph.D. programme in partnership with the Durham Department of Theology. St Augustine's programmes are also accredited as training routes for ordained ministry in the Church of England by the Churches' Quality in Formation Panel. On behalf of the Dioceses of Canterbury, Southwark, Rochester, and Chichester, St Augustine's offers accredited courses for Reader Ministry. Both the University and the Church operate their own quality management and enhancement procedures in relation to the activities of the College, including annual exam boards, approval of programme documentation and periodic inspection/audit.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Results: curricular review has taken on the task of matching the considerable educational diversity among students, in terms of past educational experience, to the demands of undergraduate and post-graduate education. This has resulted in more students receiving individual help with study skills and writing, as well as in the teaching staff adopting more flexible and student-centred pedagogies, and designing new forms of assignment that require oral as well as written skills, and demand imaginative, as well as analytical ability.

Continued attention to the needs of neurodiverse students has born fruit in academic attainment, including by students with little or no confidence in their intellectual abilities. Given the imagination and untypical ways of thinking that these students bring, this work has also benefited classroom learning and discussion.

During the 2020-22 academic years, the college worked with grant awarded by ECLAS (Educating Christian Leadership for an Age of Science), which allowed tutors to design curricular initiatives that brought together, especially in the fields of spirituality and doctrine, Christian faith and practice with questions, approaches, and perspectives from contemporary science, especially evolutionary biology, and neuroscience.

Final Comments:

As the above suggests, diversity is not only a factor in the college's make up but a key value for the curriculum. Research we undertook in June 2022, together with our PER experience, suggests that this is significant in equipping students for living and ministering in a multi-cultural and secular society, as well as one suffering increasing social, educational, and economic inequalities. Our engagement with contemporary science, environmental issues, as well as a stress on social and self-awareness, orients our students to the possibility of living wisely, faithfully, and actively in relation to some of the major questions of our time.

Financial review

RESULTS FOR THE YEAR

The Statement of Financial Activities shows an expected decrease in the operating result with a deficit of £74,953 compared with a surplus of £14,879 in 2022.

Whilst both income (from charitable activities and investments) and expenditure for both years is almost identical the deficit for this year is the mainly the result of two significant factors: firstly the COIF investments were revalued this year with a loss of £36,576 (2022: £21,796); and secondly in 2022 the college received £47,440 in grants whilst in 2023 the figure had dropped to £14,560. A third, lesser factor, affecting the outcome for this year was an accounting decision to depreciate the old website costs (£5,523) eliminated in respect of disposals.

From 2023 the College will start to see the benefits of the new structure of payments for the ordinand students. No longer will their fees be based on a per head sum but on a set figure based on past numbers. This means even with lower numbers income will remain consistent and expenditure will drop due to lower per head costs such as residential events. Thus going forwards the college is expected to have a small surplus.

The Trustees' investment policy is to maximise the yield on its financial investments held subject to maintenance of their capital value in real terms. Investments have been realised in recent years in order to fund St Augustine's continued operations given the deficits which it has suffered. Trustees are pleased to note that in recent years its investments have met these objectives.

BALANCE SHEET

The College's Balance Sheet remains strong following the sale of residential properties in previous years. Net Assets however decreased to £722,287 (2022: £797,240), reflecting the deficit for the year and Net Current Assets decreased to £312,591 (2022: £353,528).

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 AUGUST 2023***

RESERVES POLICY

The Trustees have approved a policy on its Reserves, which states that the charity needs sufficient free reserves to enable it to meet its charitable obligations in the eventuality of an unexpected revenue shortfall.

Free reserves are defined by the Charity Commission as Unrestricted Funds available to spend on the general purposes of the charity and therefore, excluding those Designated for particular purposes and those already utilised in purchasing tangible assets.

The Trustees believe that the level of reserves freely available for its general purpose should be sufficient to accommodate St Augustine's continuing needs and to maintain its freehold and leasehold premises at an appropriate level, having regard to the bank finance facilities available to it. The Trustees review this policy annually.

At the end of the year ended 31 August 2023 the Unrestricted Reserves stood at £658,122 (2022: £734,285). Restricted funds are not available for general purposes of the charity. The value of restricted funds stood at £64,165 (£2022: £62,955).

MEMBERS' LIABILITY

On liquidation of the company, any residual surplus is to be transferred to the Central Board of Finance of the Church of England. In the event of a deficiency, Members then in office are each required to contribute a sum not exceeding £1.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management

St Augustine's College of Theology's governing document is its Memorandum and Articles of Association (5 June 2018). It was incorporated as a Company Limited by Guarantee on 4 October 1983.

On September 1st 2018, the new governance structure, approved by Council earlier that year, was implemented. This created a smaller Board of Trustees and a Council of Reference consisting of representatives of designated stakeholders and some members nominated for particular skills and experience. The four core dioceses have appointed two people to the Council of Reference, with other participating dioceses appointing one. Each core diocese also appointed a Member of the Company, the members being responsible for the election of trustees. In each case, the member may, but does not have to be, one of those appointed to the Council of Reference. The Board of Studies has continued as a committee of the Board of Trustees.

The college employs a permanent staff team of 7.4 full time equivalents (FTE). The team is led by the Principal, the Reverend Dr Alan Gregory. The staff team consists of 5 members of academic staff (4.2 FTE) together with 3 members of administrative staff (2.6 FTE). In addition to this team there are a number of associate tutors, as well as part time staff, involved in specific areas of the College's work. During the past, the college has introduced regular bi-annual professional development seminars for all its teaching staff, including associates.

St Augustine's offices are based at Pax House, 52 Swan Street, West Malling, ME19 6QX. St Augustine's London office is based in Trinity House, the offices of the Diocese of Southwark. Teaching takes place at Wednesday evening classes online; weekly Friday teaching days at West Malling; and evening classes at Southwark on Mondays, with residential events held mostly at either Malling Abbey or the Police Federation Centre in Leatherhead. A residential week is held in Canterbury.

The staff team has a regular programme of meetings that address issues of monitoring, review, planning and development as well as routine business. The staff also attend an annual 'day workshop' with the Board and twice a year, continuing education meetings are held for all permanent and associate teaching staff. There are also regular staff student liaison meetings, and all student cohorts are represented on the Board of Studies. A student-led UKME group also liaises with staff and Board of Studies with reference to issues of diversity and educational initiatives in the area of diversity.

Principal risk and uncertainties

The Trustees review the risks to which the charity is exposed and systems have been established to mitigate those risks. The external risks to funding are dependent on a viable number of students choosing the course for their training. To mitigate this risk regular liaison takes place with Diocesan Directors of Training and Ministry Division to ensure the content of the programmes meet the needs of both dioceses and the Church of England. The college has also made progress pursuing stronger links with three dioceses who, until, now have rarely sent students. Furthermore, more systematic efforts to recruit 'independent' students will help to offset the risk of a decline in Church-funded students. Internal risks are mitigated by the implementation of a series of procedures and controls that are reviewed in the risk register.

The Trustees are responsible for the management of all risks faced by the College. The risk management policy is reviewed regularly by the Trustees. As a consequence of last year's review (2022), the risk register has been thoroughly revised and expanded, with trustees and staff appointed to oversee the specific areas of risk.

Pay and remuneration of ordained staff

Ordained members of staff are remunerated according to the Archbishops' Council of the Church of England's published remuneration scale for ordained college staff (the "Lichfield Scale").

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of St Augustine's College of Theology for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 inappropriate to presume that the charitable company will continue in operation.

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

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2023*

Auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved have confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Bishop M Gainsborough

Trustee

ST AUGUSTINE'S COLLEGE OF THEOLOGY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ST AUGUSTINE'S COLLEGE OF THEOLOGY

Opinion

We have audited the financial statements of St Augustine's College of Theology (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ST AUGUSTINE'S COLLEGE OF THEOLOGY

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 financial statements is inconsistent in any material respect with the trustees' report; 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, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Based on our understanding of the company and industry, we identified that the principle risks of non-compliance with laws and regulations related to compliance with Charity Commission requirements and we considered the extent to which non-compliance might have a material effect on the financial statements of the company.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

In addition, we considered provisions of other laws and regulations that do not have a direct impact on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include data protection, employment, environmental and health and safety regulations.

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, posting inappropriate journals entries to increase income or reduce expenditure, and management bias in accounting estimates and judgemental areas of the financial statements such as useful economic life, deferred income and sabbatical provisions.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ST AUGUSTINE'S COLLEGE OF THEOLOGY

Audit response

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management
- Understanding of management's internal controls designed to prevent and detect irregularities.
- Reviewing relevant meeting minutes
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of testing of expenses
- Testing transactions entered into outside the normal course of business
- System walkthroughs are used to develop an in depth understanding of the entity's control environment, however, minimal reliance is placed on control within the audit approach. Substantive test of details are carried out, with a broad scope, in order to adequately explore all aspects of revenue recognition.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, by for example, forgery, or intentional misrepresentation, or through collusion.

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.

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 auditor's 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.

S Meah FCCA (Senior Statutory Auditor)
for and on behalf of Crossley Financial Accounting Limited

19 March 2024

Chartered Accountants
Statutory Auditor

Star House
Star Hill
Rochester
Kent
ME1 1UX

Crossley Financial Accounting is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income from:</u>							
Donations and legacies	4	-	31,721	31,721	-	70,021	70,021
Income from charitable activities	3	688,193	-	688,193	691,944	-	691,944
Investments	5	9,466	396	9,862	7,999	26	8,025
Total income		<u>697,659</u>	<u>32,117</u>	<u>729,776</u>	<u>699,943</u>	<u>70,047</u>	<u>769,990</u>
<u>Expenditure on:</u>							
Charitable activities	6	<u>737,246</u>	<u>30,907</u>	<u>768,153</u>	<u>705,350</u>	<u>71,557</u>	<u>776,907</u>
Net gains/(losses) on investments		<u>(36,576)</u>	<u>-</u>	<u>(36,576)</u>	<u>21,796</u>	<u>-</u>	<u>21,796</u>
Net movement in funds		<u>(76,163)</u>	<u>1,210</u>	<u>(74,953)</u>	<u>16,389</u>	<u>(1,510)</u>	<u>14,879</u>
Fund balances at 1 September 2022		<u>734,285</u>	<u>62,955</u>	<u>797,240</u>	<u>717,896</u>	<u>64,465</u>	<u>782,361</u>
Fund balances at 31 August 2023		<u><u>658,122</u></u>	<u><u>64,165</u></u>	<u><u>722,287</u></u>	<u><u>734,285</u></u>	<u><u>62,955</u></u>	<u><u>797,240</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		253,265		250,704
Investments	13		156,431		193,008
			<u>409,696</u>		<u>443,712</u>
Current assets					
Debtors	14	44,034		49,472	
Cash at bank and in hand		275,015		326,823	
		<u>319,049</u>		<u>376,295</u>	
Creditors: amounts falling due within one year	15	(6,458)		(22,767)	
Net current assets			312,591		353,528
Total assets less current liabilities			<u>722,287</u>		<u>797,240</u>
Income funds					
Restricted funds	16		64,165		62,955
Unrestricted funds - general			658,122		734,285
			<u>722,287</u>		<u>797,240</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 February 2024

Bishop M Gainsborough
Trustee

Company Registration No. 01758668

ST AUGUSTINE'S COLLEGE OF THEOLOGY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	19		(51,906)		(61,777)
Investing activities					
Purchase of tangible fixed assets		(9,764)		(8,959)	
Investment income received		9,862		8,025	
Net cash generated from/(used in) investing activities			98		(934)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(51,808)		(62,711)
Cash and cash equivalents at beginning of year			326,823		389,534
Cash and cash equivalents at end of year			275,015		326,823

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

St Augustine's College of Theology is a private company limited by guarantee incorporated in England and Wales. The registered office is 52 Swan Street, West Malling, Kent, ME19 6JX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "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 for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	60 years straight line
Leasehold improvements	33% straight line
Office equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

The company participates in the defined benefits scheme section of the Church Workers Pension Fund (CWPF) for lay staff and the Church of England Funded Pensions Scheme (CEFPS) also known as the Clergy Pension scheme for Clergy and licensed lay workers. The schemes are administered by the Church of England Pensions Board which holds the assets of schemes separately from those of the Employer and other participating employers.

It is not possible to attribute the scheme's assets and liabilities to specific employers. The schemes are considered to be multi employer schemes as described in FRS 102 and as such contributions are accounted for as if the schemes were defined contribution schemes. The pension costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical accounting estimates and assumptions:

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical areas of judgment:

No significant judgements have had to be made by management in preparing these financial statements, other than the recognition of a rent premium paid of £92,500. The rent premium is being released as a cost over 10 years, based on the intention of the charity to remain in the property for at least 10 years.

3 Income from charitable activities

	2023 £	2022 £
Fee income	688,193	691,944

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Donations and legacies

	Restricted funds	Total
	2023 £	2022 £
Donations, gifts and fundraising	17,161	22,581
Grants	14,560	47,440
	<u>31,721</u>	<u>70,021</u>

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Investments

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Investment income - other local investments	9,466	396	9,862	7,999	26	8,025

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

6 Charitable activities

	Education	Bursaries	Total 2023	Total 2022
	2023	2023		
	£	£	£	£
Residential weekend conferences and Summer School	110,673	-	110,673	100,589
Staff salaries, including lecturing fees and other associated staff costs	336,538	-	336,538	344,707
National insurance	27,242	-	27,242	21,282
Pension cost	62,907	-	62,907	71,022
Provision of bursaries	-	10,200	10,200	17,398
	<u>537,360</u>	<u>10,200</u>	<u>547,560</u>	<u>554,998</u>
Share of support costs (see note 7)	217,041	-	217,041	218,405
Share of governance costs (see note 7)	3,552	-	3,552	3,504
	<u>757,953</u>	<u>10,200</u>	<u>768,153</u>	<u>776,907</u>
Analysis by fund				
Unrestricted funds - general	737,246	-	737,246	705,350
Restricted funds	20,707	10,200	30,907	71,557
	<u>757,953</u>	<u>10,200</u>	<u>768,153</u>	<u>776,907</u>
For the year ended 31 August 2022				
Unrestricted funds - general	705,350	-		705,350
Restricted funds	54,159	17,398		71,557
	<u>759,509</u>	<u>17,398</u>		<u>776,907</u>

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Depreciation	7,204	-	7,204	2,606	-	2,606
Academic travel and training	35,222	-	35,222	32,836	-	32,836
Books & journals	4,940	-	4,940	5,035	-	5,035
Office expenses	26,318	-	26,318	23,527	-	23,527
Administration costs	11,107	-	11,107	8,995	-	8,995
Rent of premises and utilities	93,403	-	93,403	89,455	-	89,455
Equipment costs	7,364	-	7,364	10,344	-	10,344
Publicity and marketing costs	23,410	-	23,410	34,671	-	34,671
Legal and professional charges	8,073	-	8,073	10,936	-	10,936
Audit fees	-	3,552	3,552	-	3,504	3,504
	<u>217,041</u>	<u>3,552</u>	<u>220,593</u>	<u>218,405</u>	<u>3,504</u>	<u>221,909</u>
Analysed between Charitable activities	<u>217,041</u>	<u>3,552</u>	<u>220,593</u>	<u>218,405</u>	<u>3,504</u>	<u>221,909</u>

Governance costs includes payments to the auditors of £3,552 (2022- £3,504) for audit fees.

8 Trustees

Trustees remuneration and expenses

The staff costs, in note 10, includes emoluments, employers' national insurance contributions and employers' pension contributions for 1 Trustee (2022 - 1 member). From time to time other Trustees are paid visiting lecturers fees, but the amounts are not significant.

Key management personnel compensation

The total cost of remuneration and benefits for key management personnel is £65,731 (2022 - £64,748).

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Staff	<u>6</u>	<u>7</u>

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff costs

	2023 £	2022 £
Staff costs analysis		
Academic salaries and related costs	184,220	178,148
Administration salaries and related costs	86,714	89,897
Visiting lecturers' fees	51,967	55,640
Staff premises costs	17,136	21,216
Social security costs	27,242	19,009
Pension costs	62,907	71,022
Total	430,186	434,932

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Office equipment £	Total £
Cost				
At 1 September 2022	283,993	15,948	15,596	315,537
Additions	-	-	9,764	9,764
Disposals	-	-	(5,523)	(5,523)
At 31 August 2023	283,993	15,948	19,837	319,778
Depreciation and impairment				
At 1 September 2022	42,007	15,948	6,877	64,832
Depreciation charged in the year	2,367	-	4,837	7,204
Eliminated in respect of disposals	-	-	(5,523)	(5,523)
At 31 August 2023	44,374	15,948	6,191	66,513
Carrying amount				
At 31 August 2023	239,619	-	13,646	253,265
At 31 August 2022	241,985	-	8,719	250,704

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2022	193,008
Valuation changes	(36,576)
At 31 August 2023	156,432
Carrying amount	
At 31 August 2023	156,432
At 31 August 2022	193,008

	2023 £	2022 £
Investments at fair value comprise:		
Unlisted investments	156,432	193,008

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	4,872	1,191
Other debtors	32,375	41,625
Prepayments and accrued income	6,787	6,656
	44,034	49,472

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3	-
Other taxation and social security	2,246	1,579
Other creditors	345	345
Accruals and deferred income	3,864	20,843
	<u>6,458</u>	<u>22,767</u>

Deferred income

Deferred income at 1 September 2022	12,560
Resources deferred during the year	-
Amounts released from previous years	(12,560)
Deferred income at 31 August 2023	-

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 September 2021	Incoming resources	Resources expended	Balance at 1 September 2022	Incoming resources	Resources expended	Balance at 31 August 2023
	£	£	£	£	£	£	£
Tattersall Fund	31,465	22,607	(17,398)	36,674	17,556	(10,199)	44,031
Anonymous Donation	30,000	-	(5,219)	24,781	-	(6,647)	18,134
W A Blagden Donation	3,000	-	(1,500)	1,500	-	(1,500)	-
SIF Grant	-	47,440	(47,440)	-	12,560	(12,560)	-
Mentor Scheme	-	-	-	-	2,000	-	2,000
	<u>64,465</u>	<u>70,047</u>	<u>(71,557)</u>	<u>62,955</u>	<u>32,116</u>	<u>(30,906)</u>	<u>64,165</u>

Tattersall Fund

The Tattersall fund was set up to help fund lay people study Theology. Independent students can ask for help to cover the cost of tutor fees and books from this fund. The fund includes donations received from Robinson Lambert.

Anonymous Donation

The donation received is to support the teaching and work of the College in the area of Mission and Missiology.

W A Blagden Donation

The donation received is towards the continuation and development of the online retreats.

SIF Grant

St Augustine's College of Theology was awarded a £60,000 grant for its Science for Seminaries 18 month project, 'Faith in Science', comprises a curriculum-wide approach sponsoring a range of engagements with theology, faith, and the sciences.

Mentor Scheme

The donation received is towards setting up the mentor scheme which is a year-long project that will pair Black and Asian church leaders and scholars in theological education with members of the college's permanent staff.

ST AUGUSTINE'S COLLEGE OF THEOLOGY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 August 2023 are represented by:				
Tangible assets	253,265	-	253,265	250,704
Investments	156,431	-	156,431	193,008
Current assets/(liabilities)	248,426	64,165	312,591	353,528
	<u>658,122</u>	<u>64,165</u>	<u>722,287</u>	<u>797,240</u>

19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	45,000	45,000
Between two and five years	60,000	60,000
In over five years	90,000	105,000
	<u>195,000</u>	<u>210,000</u>

19 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(74,953)	14,879
Adjustments for:		
Investment income recognised in statement of financial activities	(9,862)	(8,025)
Fair value gains and losses on investments	36,576	(21,796)
Depreciation and impairment of tangible fixed assets	7,204	2,606
Movements in working capital:		
Decrease in debtors	5,438	4,045
(Decrease) in creditors	(16,309)	(52,486)
(Decrease)/increase in provisions	-	(1,000)
Cash absorbed by operations	<u>(51,906)</u>	<u>(61,777)</u>