THE FOUNDATION OF SAINT MATTHIAS

England & Wales · Charity number 311696

Details

Status	Registered
Legal form	Other
Registered	1965-03-26
Register	View on the Charity Commission register

Contact

Address	First Floor Hillside House 1500 Parkway North Newbrick Road Stoke Gifford BRISTOL
Phone	01179060100
Email	stmatthiastrust@bristoldiocese.org
Website	stmatthiastrust.org.uk

Activities

Objects: The object of the charity is the advancement of education in the area of benefit with a preference for higher or further education; such education contributing to the advancement of the mission and ministry of the Church of England, in particular through the following means: (1) the education and training of persons who are, or intend to become, engaged in social welfare work as social workers, community workers, youth workers, teachers, supervisors of pre-school groups or otherwise; (2) the education and training of persons intending to become ministers of the Church of England or of a church in communion therewith; (3) in providing such special benefits of any kind not normally provided by the Local Education Authorities or from central government funds in schools or academies (within the meaning of the Education Acts) in which religious instruction in accordance with the principles of the Church of England is given, in the Dioceses of Bath and Wells, Bristol or Gloucester as may from time to time be agreed between the trustees and the Governors of the school concerned; (4) in providing, or assisting in the provision of, a chaplaincy for students of establishments of higher or further education by paying, or assisting in the payment of, the stipend of one or more priests of the Church of England or otherwise; (5) in assisting colleges established for charitable purposes only at which provision is made for the training of teachers; and (6) in making grants to persons in need of financial assistance to enable them to attend an establishment of higher or further education, to travel in furtherance of their education, to study music or other arts or, on leaving any educational establishment, to prepare for, or to enter a profession, trade or calling.

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Activities: The Foundation's primary object is the advancement of education in the area of benefit, in particular the Dioceses of Bath & Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, Religious Activities
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** BRISTOL
- Northern Ireland
- Scotland
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£242,945	£397,110	-	-
2024-12-31	£241,225	£367,363	-	-
2023-12-31	£241,554	£391,538	-	-
2022-12-31	£242,249	£359,774	-	-
2021-12-31	£222,429	£320,843	-	-
2020-12-31	£233,849	£336,798	-	-

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Trustees

Name	Role	Appointed
Bishop Neil Warwick	Chair	2024-04-17
Anna Maria Olszewska		2026-02-09
BERYL ELIZABETH GLEICH		2016-01-01
Dr Taido Chino		2026-03-26
EDWARD GREGORY		2018-10-23
Jane Borgeaud		2023-11-22
Karen Czapiewski		2025-04-09
Liz Townend		2019-02-16
MAUREEN ELIZABETH LOMAS		2014-11-05
Pamela Cosh		2024-04-17
Rev ANTHONY DAVID EVERITT		2016-01-01
Rev Leonard Browne		2024-11-20
Rev Noel Hector		2025-08-01
Rev Sharon Roberts		2024-04-17
Richard Wheeler		2025-04-09
Sarah Garlick		2026-03-26

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THE FOUNDATION OF SAINT MATTHIAS

England & Wales - Charity number 311696

Accounts



THE FOUNDATION OF ST MATTHIAS REPORT

AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2025

Registered Charity No 311696

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2025

The Trustees present their report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objective and Activities

Objective

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the mission and ministry of the Church of England.

Grant-Making Policy

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 3 November 2011, 11 November 2015, 16 March 2021 and 9 April 2025.The Trustees have a Projects Committee, which examines applications against these criteria and makes grants to suitable applicants.

Public Benefit

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

Achievement and Performance - Review of performance in 2025

In April 2024 the Trustees reviewed and agreed to the 2025 budget levels.

In the 2025 calendar year, the Trustees reviewed 74 grant applications (excluding scholarships, which are detailed below). Additionally, 8 applicants who were unsuccessful in securing a scholarship were awarded a personal grant.

Of these applications, 55 were for individual grants and 12 were requests for further funding. A total of 53 grants were awarded; 40 of these were £1,000 or more, with the remainder ranging from £500 to £900.

The majority of funded studies focused on theology and counselling. However, support was also provided for other courses that met the terms of the Trust deed and were considered deserving by the Trustees, including education, youth work, chaplaincy, vocal performance, law, and the arts.

14 applicants did not receive a grant; 1 withdrew prior to allocation, and 1was unable to take up their grant due to insufficient funds to commence study.

6 corporate applications were reviewed, of which 2 were awarded grants, one for £500 and the other for £2,000. In addition, 1 further funding corporate grant was considered and approved for £1,750.

Grants of £57,600 to each of the 3 Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan staffing teams to provide advisers and strategic leads for Christian character and RE.

Grants totaling £22,500 were also made to the 3 Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

Scholarships for the 2025/2026 academic year:

During 2025, the Trustees considered 19 scholarship applications. Five candidates were shortlisted for interview, and one scholarship was awarded. As noted above, eight applicants who were unsuccessful in securing a scholarship received personal grants ranging from £2,000 to £3,500.

- Payments totalling £49,617 continued for 5 ongoing part-time scholars;
- Final payments totalling £17,750 are to be made to 2 scholars completing studies in April 2026;

The total of grants awarded in 2025 is shown in Note 7 on page 16.

Financial Review (Financial Review of the Foundation)

The Balance Sheet on page 12 shows the financial position of the Foundation as at 31 December 2025, in accordance with the accounting policies outlined in the notes to the accounts.

With effect from 1 January 2018 the Trustees adopted the Total Return Investment approach consistent with the provisions of Section 4 of the Trusts (Capital and Income) Act 2013. Consequently, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year.

The Foundation's investment portfolio is held with CCLA Investment Management Ltd (CCLA). The Trustees receive quarterly reports from the investment manager and conduct an annual performance review meeting at the Trustees meeting in November.

The value of the total investment portfolio decreased by £378,343 during 2025, after allowing for withdrawal of £397,110 from the Investment Fund account to fund activities.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England and revised by them from time to time.

Reserves policy 2025

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £8,369,238 at 31 December 2025, including £Nil in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned.

The Reserves policy provides for 3 months of forecast operating costs, including redundancy costs, the remaining term of scholarships were committed and the outstanding Diocesan Allocation and FE Funding for the current financial year, based on a pre agreed budget and after forecast income streams have been accounted for. As at the 31 December 2025 the Reserve required was £236,216.

A review of the reserves will be undertaken on an annual basis to ensure the level of reserve is appropriate based on future plans and known risk factors.

Plans for Future Periods

In September 2024 the Trustees held an Away Day at which they reviewed the outcomes from a similar workshop in 2023 considering how the activities of the Foundation might develop to maximise its potential impact. A Strategic Plan in the form of a road map has been developed and has been updated as a result of the work completed in September 2024.

In April 2025 the Trustees considered the Budget for 2025 to 2028 and agreed that Grants should broadly be as follows for 2026:

- Diocesan Allocations £57,600 (per diocese);
- FE £7,500 (per diocese); and

- Grants and scholarship budget £156,700.

Structure, Governance and Management

Constitution of the Foundation

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds from the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. Subsequent amendments to the scheme have been approved by the Charity Commission.

Trustees' responsibilities

The Trustees, who are appointed in accordance with the Foundation scheme (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and the Finance, Audit and Risk Management (FARM) Committee. Some powers are delegated to committees as follows:

- The Projects Committee awards grants and scholarships to applicants, subject to budgetary constraints agreed by the Trustees.
- The FARM Committee considers the financial control and governance of the Foundation and recommendations are ratified by the Trustees.

In addition to the Trustees board's twice-yearly meetings, the Projects Committee and the FARM Committee meet 3 times per year.

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the Foundation's affairs and of the incoming and outgoing resources of the Foundation for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Foundation will continue to exist.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation, and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charity Governance Code

In April 2025 the initial Charity Governance Code review was finalised and approved by the Board and is reviewed annually.

Recruitment and Induction of Trustees

Recruitment for the Foundation is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and

the National Society (previously the Board of Education of the Archbishops' Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition, the Trustees have the option to co-opt three Trustees.

New Trustees are given a Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee, FARM Committee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Foundation, objects of the Foundation, structure of the Foundation including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their Trusteeship.

Connected Charity

The Bristol Diocesan Board of Finance (BDBF), charity number 248502, whose registered address is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU, provides IT services to the Foundation under a Service Level Agreement.

The majority of Trustees are nominated or co-opted from the three benefiting Dioceses.

Risk Assessment

The Trustees operate a risk management policy and, as part of a review process by the FARM Committee and annual review by the Trustees, make appropriate amendments to the Risk Register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation's assets, are closely followed. The most significant risk is the decline in Total Return. During 2025 an Investment Policy was agreed by the Trustees and as part of this policy the Trustees have ensured that reputable managers have been appointed to manage the investments that make up the Permanent Endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports and annual attendance at the Trustees meeting. As part of the Investment Policy a review of the Investment Managers on a tri annual basis is required, which will next take place in 2026.

Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

Key Management Personnel and Remuneration

In October 2022 the Foundation became an employer. It currently employs 2 personnel, equating to 1.2 Full Time Equivalents (2 personnel, 1.2 FTE – 2024): the Chief Operating Officer (COO) and Clerk to the Trustees. The Finance Manager is an external contractor. The key management personnel are paid an annual salary of £42,984 and employers' pension of £4,499.

Trustees

The Trustees of the Charity are in charge of directing and controlling the Charity. The COO, Clerk and Finance Manager have responsibility for the day-to-day running of the Charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

The Trustees who served during the period from 1 January 2025 to the date of this report was approved were as follows:

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2025

Role	Name	Nominator	Dates if part year
Chair	The Rt Revd N Warwick Bishop of Swindon	Bishop of Bristol	
Vice Chair	Mr E Gregory	Bath & Wells DBE	
Nominated	Mrs P Cosh	Bath & Wells DBE	
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Revd Dr S Taylor	Bishop of Bristol	Resigned 12th November 2025
	Mrs J Borgeaud	Gloucester DBE	
	Mrs B Gleich	Gloucester DBE	
	Ms L Gardner	Gloucester DBF	Resigned 9th April 2025
	Mr Leonard Browne	Bishop of Gloucester	
	Mrs Karen Czapiewski	Bishop of Gloucester	Appointed 9th April 2025
	Rev'd Prebendary Noel Hector	Bishop of Bath & Wells	Appointed 12th November 2025
	Revd Sharon Roberts	Bath & Wells DBE	
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
Co-opted:	Ms K Owen-Jones		Resigned 8th May 2025
	Mr Richard Wheeler		Appointed 9th April 2025

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2025

Officers and Advisors of the Foundation

Chief Operations Officer	Caroline McConnell Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Clerk to the Trustees	Sarah Haughan Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Finance Manager	Elizabeth Britton Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	TC Group First Floor Premier House, 127 Duckmoor Road, Ashton Gate, Bristol, BS3 2BJ
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Bankers	National Westminster Bank Plc 45 to 49 Broadmead, Bristol, BS1 3EU

This report was approved by the Trustees on the 26th March 2026 and signed on its behalf by;

The Rt Revd N Warwick, Acting Bishop of Bristol, Chair.

THE FOUNDATION OF ST MATTHIAS
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
For the year ended 31 December 2025

Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2025, which comprise the Statement of Financial Activities, the Balance Sheet and 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 Charity's affairs at 31 December 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- 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 to the Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity 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 within it. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent of which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the Trustees and other management (as required by auditing standards), and discussed with the Trustees and other management the policies and procedures regarding

compliance with laws and regulations (see below);

- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (the Charities Act 2011), taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.
- We considered the nature of the Charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the Charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity Trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group
First Floor Premier House,
127 Duckmoor Road,
Ashton Gate,
Bristol
BS3 2BJ

THE FOUNDATION OF ST MATTHIAS
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2025

	Note	2025 Income reserve (Unrestricted) £	2025 Permanent endowment (Restricted) £	2025 Total funds £	2024 *Income reserve (Unrestricted)* £	2024 *Permanent endowment (Restricted)* £	2024 *Total funds* £
Incoming Resources							
Investment Income	3	-	242,945	242,945	-	241,225	241,225
Total incoming resources		-	242,945	242,945	-	241,225	241,225
Resources expended							
Charitable expenditure							
Expenditure on charitable activities	6	397,110	-	397,110	367,363	-	367,363
Total resources expended		397,110	-	397,110	367,363	-	367,363
Net losses on investments		-	(378,343)	(378,343)	-	253,565	253,565
Net Income / (Expenditure)		(397,110)	(135,398)	(532,508)	(367,363)	494,790	127,427
Transfers between funds		397,110	(397,110)	-	367,363	(367,363)	-
Net movement in funds for the year		-	(532,508)	(532,508)	-	127,427	127,427
Fund balances brought forward at 1 January		-	8,901,746	8,901,746	-	8,774,319	8,774,319
Fund balances carried forward at 31 December		-	8,369,238	8,369,238	-	8,901,746	8,901,746

All activities relate to Continued Operations

THE FOUNDATION OF ST MATTHIAS
BALANCE SHEET
For the year ended 31 December 2025

	Note	2025		2024	
		£	£	£	£
Fixed assets					
Investments					
CBF Funds	9	8,424,065		8,947,408	
			8,424,065		8,947,408
Current assets					
Cash at bank	11	74,315		71,452	
		74,315		71,452	
Current liabilities					
Grants awarded not paid	12	116,133		103,250	
Creditors	13	13,009		13,864	
		129,142		117,114	
Net current liabilities			(54,827)		(45,662)
Net assets			8,369,238		8,901,746
Funds					
Permanent endowment funds	15		8,369,238		8,292,466
Unapplied total return fund	15		0		609,280
Unrestricted fund	15		0		0
			8,369,238		8,901,746

These accounts were approved and authorised for issue by the Trustees on 26th March 2026.

The Rt Revd N Warwick, Acting Bishop of Bristol, Chair

The notes at page 13 to 21 form part of these accounts.

1 Accounting policies

(a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 15 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2025. The financial statements have been presented in Pounds Sterling as this is the functional currency of the Charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the Charity. The principal activity of the Charity continued to be the advancement of education contributing to the advancement of the Church of England.

(b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

(c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with 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 in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements 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: 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

(d) Fund accounting

The nature and purpose of each fund are explained in note 15.

(e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CCLA pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

(g) Expenditure

All expenditure is accounted for on an accrual's basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.

(h) Investment Management costs

Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments.

(i) Grants

All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year full time course of study or on a part time basis agreed by the Trustees, funding for each year of the scholarship is conditional on an annual presentation to the Trustees, for their review and approval of the continuation of the award. Therefore, scholarships are not accrued for beyond the end of the academic year.

(j) Support Costs

As noted in the Trustees' Report, the Foundation's day to day operations are administered by the St Matthias Management Team. It is estimated that 76% of expenditure represents the day-to-day administration and the remaining 24% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the Charity.

(k) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Gains and Losses on investments

Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2025.

(m) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the Charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.

(n) Areas of judgement

The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key area of judgement is whether scholarship grants should be accrued for at year end.

Judgement has been applied to the recoupment of the Unapplied Total Return in this financial year. Due to the performance of the Trust's investment portfolio over the 12 months ending 31st December 2025, there is a negative position for the Unapplied Total Return after taking account of Investment Income, Investment Losses, Transfer to Unrestricted Fund for activities and operations of the Trust and Transfer to Fund for Investment to maintain the underlying investment fund taking

account of inflation. For the Trust, this is calculated by using CPI over the 12 months.

(o) Accounting Policies: Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(p) Accounting Policies: Retirement benefits

As set out in Note 4, pension benefits to staff employed by the Foundation are provided through the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. This scheme is a defined benefit scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable 2025: £4,499 (2024: £5,244).
The last actuarial valuation of the scheme was completed on the 31st December 2022 and all sections of the scheme are in surplus.

Payments to the schemes are charged as an expense as they fall due.

2 Trustees remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and out of pocket expenses are reimbursed as necessary, and these amounted to £574 paid to 6 Trustees in 2025 (2024 - £848 paid to 7 Trustees).

3 Investment Income

	2025	2024
	£	£
CBF Investment Fund dividends	242,314	240,588
Bank Account interest	631	637
	242,945	241,225

4 Staff Costs

	2025	2024
	£	£
Wages and salaries	42,984	50,035
Social Security Costs	0	0
Pension	4,499	5,244
	47,483	55,279

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is being carried out as at 31 December 2025.

The legal structure of the scheme is such that if another employer fails, The Foundation of St Matthias could become responsible for paying a share of the failed employer's pension liabilities.

	2025 No.	2024 No.
Number of Employees	2	2

Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund amounted to £4,499 (2024: £5,244).

Pension scheme membership

	2025 No.	2024 No.
Average Number of staff within the Pension Scheme	2	2.5

5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the Charity. Grants awarded to the Dioceses are shown in Note 7. The amounts outstanding to Bristol Diocese at the year-end was £2,334 (2024 - £2,268) for IT Support Services.

6 Expenditure on Charitable Activities

	2025 £	2024 £
Educational activities (Note7)	323,200	286,846
Support Costs (Note 8)	73,910	80,517
	397,110	367,363

7 Grants

	2025 £	2024 £
In 2025, the trustees made the following corporate grants:		
Grants to Institutions:		
To Bristol, Bath & Wells and Gloucester Dioceses, £57,600 each for Diocesan Grants (2024: £50,000 each)	172,800	150,000
To Bristol, Bath & Wells and Gloucester Dioceses £7,500 each for Further Education Officers (2024: £5,000 each)	22,500	15,000
1 corporate grants of less than £1,000	500	-
2 corporate grants of £1,000 or more	3,750	12,500
	199,550	177,500
Grants to Individuals:		
13 personal grants of less than £1,000	2,500	2,500
40 personal grants of £1,000 or more	71,095	51,560
7 scholarships	49,617	55,000
Scholarship travel	438	286
Previous year grants not taken up	-	-
	123,650	109,346
	323,200	286,846

All grants awarded are for the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year:

Mr E Gregory	Diocese of Bath & Wells	Diocesan Director of Education
Mrs Jane Borgeaud	Diocese of Gloucester	Diocesan Director of Education
Mrs E Townend	Diocese of Bristol	Diocesan Director of Education
The Rt Revd N Warwick Acting Bishop of Bristol	Diocese of Bristol	Acting Bishop of Bristol
Revd Sharon Roberts	Diocese of Bath & Wells	SSM Curate in Bristol Diocese

8 Support Costs

	2025	2024
	£	£
Management charge - adminstering the Foundation	-	-
Management charge - governance	-	-
Wages and salaries	47,483	55,279
Staff expenses	872	703
IT services	-	2,268
Trustee travel and catering	1,856	1,894
Audit	7,188	6,930
Bank charges	14	10
Professional fees & Insurance	15,157	11,808
Sundry expenses	1,340	1,625
	73,910	80,517

9 Fixed Asset Investments

	2025	2024
	£	£
Market value brought forward at 1 January	8,947,408	8,844,344
Add additions at cost	-	-
Less disposals	(145,000)	(150,500)
Less net loss on revaluation	(378,343)	253,564
Market Value carried forward as at 31 December	8,424,065	8,947,408

Investments - CBF Funds	£	£
CBF Investment Fund shares	7,117,514	7,563,606
CBF Global Equity Fund shares	1,306,551	1,383,802
	8,424,065	8,947,408

10 Debtors

There were no Debtors as at 31st December 2025 £Nil (2024 – Nil).

11 Cash at Bank

	2025	2024
	£	£
NatWest Bank	74,315	71,452
	74,315	71,452

12 Grants Awarded not yet paid

	2025	2024
	£	£
Corporate & Personal Grants	1,000	1,000
Diocesan Allowances	93,900	75,000
Scholars	21,233	27,250
	116,133	103,250

13 Creditors

	2025	2024
	£	£
Audit fees	7,188	6,930
IT Services	4,163	4,566
Management fees	-	-
Professional fees	880	1,600
Salaries and expenses	778	768
	13,009	13,864

14 Commitments

	2025	2024
	£	£
The scholarship awards, subject to satisfactory review, will be paid as follows:		
Within 1 year (one term of academic year 2025/26)	21,233	27,250
Beyond 1 year		
Two terms of academic year 2026/27	32,117	40,167
Academic year 2027/28	26,116	22,667
Academic year 2028/29	14,450	16,666
Academic year 2029/30	5,000	5,000
Academic year 2030/31	5,000	-
	82,683	84,500

15 The Funds of the Charity

The fund of the Charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of the subsequent sale of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment as at 31 December 2025 reflects the gain in the value of the investments since then, using CPI as a reference point.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the end of the year.

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to the Permanent Endowment Fund. At the end of each financial year a transfer is usually made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees, in previous years have carried forward the balance on the fund as it has not been required in the year.

For the year ended 31 December 2025 £397,110 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve to cover activities and operations of the Trust.

The value of the remainder of the Permanent Endowment would normally be preserved by a transfer based on CPI (of 3.4% in 2025) of £281,944 from the Unapplied Total Return to the Fund for Investment. However due to reduction of £378,343 in the value of investments during in the 12 months ending 31st December 2025, this would result in a negative UTR of £205,172. The Trustees have approved a transfer to Unapplied Total Return to recoup the losses due to investment the Fund for Investment as at the 31st December 2025, therefore giving a zero balance on the Unapplied Total Return. It is estimated the recoupment of the transfer to the Permanent Endowment will be made over a 3 year period. This timeframe is considered realistic given geo-political uncertainty and market volatility.

Despite a challenging period for performance, we have been reassured by CCLA of their full confidence in a long-term, quality-focused investment approach.

CCLA are enhancing their processes, such as greater attention to earnings momentum and increased flexibility within the quality framework. These adjustments strengthen, rather than replace, the core process. They believe this disciplined approach leaves our portfolio well positioned for the next phase of the market cycle and continues to offer the best route to long-term, sustainable returns.

Of the balance of the Permanent Endowment Reserve as at 31 December 2025 £3,253,949 (2024 £3,777,292) represented the difference between market value at that date and the cost of the investments presently held.

	Fund for Investment	Unapplied Total Return	Total Endowment
		£	£
At the1 January 2025:	8,292,466	609,280	8,901,746
Investment Income: Dividends and Interest		242,945	242,945
Investment Losses		(378,343)	(378,343)
Transfer to Trust for Investment for CPI	281,944	(281,944)	-
Recoup from Trust for Investment losses in the year	(205,172)	205,172	
Transfer to Unrestricted Fund		(397,110)	(397,110)
As at 31 December 2025	8,369,238	-	8,369,238

Comparative Figures	Fund for Investment	Unapplied Total Return	Total Endowment
		£	£
At the1 January 2024:	8,090,211	684,108	8,774,319
Investment Income: Dividends and Interest	-	241,226	241,226
Investment Gains	-	253,564	253,564
Transfer to Trust for Investment	202,255	(202,255)	-
Transfer to Unrestricted Fund	-	(367,363)	(367,363)
As at 31 December 2024	8,292,466	609,280	8,901,746

Represented by	2025	2024
	£	£
CBF Funds	8,424,065	8,947,408
Other Net Current Assets	(54,827)	(45,662)
	8,369,238	8,901,746

16 Post Balance Sheet Events

Subsequent to the reporting date, global financial markets have experienced increased volatility arising from ongoing geopolitical tensions, changes in monetary policy, and broader economic uncertainty.

This has resulted in a significant fluctuation in the market value of the investments held by the Charity. As these conditions did not exist to this extent at the reporting date, the decline represents a non-adjusting event, therefore no adjustments have been made to the carrying amounts of investments as at the reporting date. The Trustees and management continue to monitor market developments and assess any potential implications for the charity's financial position and performance.

+Nell Swindon

The Rt Revd N Warwick, Acting Bishop of Bristol, Bishop of Swindon and Chair

Date: 26th March 2026

THE FOUNDATION OF SAINT MATTHIAS

England & Wales - Charity number 311696

Accounts



THE FOUNDATION OF ST MATTHIAS REPORT

AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2024

Registered Charity No 311696

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2024

The Trustees present their report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objective and Activities

Objective

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

Grant-Making Policy

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 11 November 2015. The Trustees have a Projects Committee, which examines applications against these criteria and makes grants to suitable applicants.

Public Benefit

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

Achievement and Performance - Review of performance in 2024

In November 2023 the Trustees agreed to the 2024 budget levels.

During the calendar year 2024, the Trustees considered 71 applications for grants (excluding scholarships – see below).

66 of these were for individual grants, which included 13 requests for further funding. 42 grants were awarded, of these, 36 were of £1,000 or more, the remainder ranging from £500 to £900. The majority of studies covered theology, social work and counselling, but assistance was also given for other courses which fell within the terms of the Foundation deed and which the Trustees considered to be of deserving support, including education, vocal studies, law degree and the arts. 24 applicants were not awarded grants, 1 withdrew prior to the allocation and 1 applicant did not take up their grant due to ill health.

5 corporate applications were considered. Of these, 2 applications were awarded grants ranging from £2,500 to £10,000.

Grants of £50,000 to each of the 3 Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan staffing teams to provide advisers and strategic leads for Christian character and RE.

Grants totaling £15,000 were also made to the 3 Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2024

Scholarships for the 2024/2025 academic year:

During the calendar year 2024 the Trustees considered 20 applications. They shortlisted 5 candidates for interview (only 4 attended) and awarded 3 scholarships.

- Payments totalling £33,500 continued for 5 ongoing part-time scholars;
- Final payments totalling £10,000 are to be made to 1 scholar completing studies in April 2025;
- One scholar has moved from part time to full time and payments totalling £10,000 are to be made in this academic year

The total of grants awarded in 2024 is shown in Note 7 on page 15.

Financial Review (Financial Review of the Foundation)

The Balance Sheet on page 11 shows the financial position of the Foundation as at 31 December 2024, in accordance with the accounting policies outlined in the notes to the accounts.

With effect from 1 January 2018 the Trustees adopted the Total Return Investment approach consistent with the provisions of Section 4 of the Trusts (Capital and Income) Act 2013. Consequently, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year.

The Foundation's investment portfolio is held with CCLA Investment Management Ltd (CCLA). The Trustees receive quarterly reports from the investment manager and conduct an annual performance review meeting at the Trustees meeting in November.

The value of the total investment portfolio increased by £253,564 during 2024, after allowing for withdrawal of £150,500 from the Investment Fund account to fund activities.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England and revised by them from time to time.

Reserves policy 2024

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £8,901,746 at 31 December 2024, including £609,280 in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned. During 2024 the Trustees commenced a review of the reserves policy in order to set agreed parameters for grant funding within which they can operate, whilst maintaining adequate reserves. The review was completed, and a Reserves policy agreed by the Board of Trustees in November 2024.

The Reserves policy provides for 3 months of forecast operating costs, including redundancy costs, the remaining term of scholarships where committed and the outstanding Diocesan Allocation and FE Funding for the current financial year, based on a pre agreed budget and after forecast income streams have been accounted for. As at the 31 December 2024 the Reserve required was £171,156.

A review of the reserves will be undertaken on an annual basis to ensure the level of reserve is appropriate based on future plans and known risk factors.

Plans for Future Periods

In September 2024 the Trustees held an Away Day at which they reviewed the outcomes from a similar workshop in 2023 considering how the activities of the Foundation might develop to maximise its potential impact. A Strategic Plan in the form of a road map has been developed and has been updated as a result of the work completed in September 2024.

In April 2024 the Trustees considered the Budget for 2025 to 2028 and agreed that Grants should broadly be as follows for 2025:

- Diocesan Allocations £57,600 (per diocese);
- FE £7,500 (per diocese); and
- Grants and scholarship budget £130,000.

Structure, Governance and Management

Constitution of the Foundation

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds from the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. Subsequent amendments to the scheme have been approved by the Charity Commission.

Trustees' responsibilities

The Trustees, who are appointed in accordance with the Foundation scheme (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and the Finance, Audit and Risk Management (FARM) Committee. Some powers are delegated to committees as follows:

- The Projects Committee awards grants and scholarships to applicants, subject to budgetary constraints agreed by the Trustees.
- The FARM Committee considers the financial control and governance of the Foundation and recommendations are ratified by the Trustees.

In addition to the Trustees board's twice-yearly meetings, the Projects Committee and the FARM Committee meet 3 times per year.

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the Foundation's affairs and of the incoming and outgoing resources of the Foundation for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Foundation will continue to exist.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation, and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2024

Charity Governance Code

In April 2024 the initial Charity Governance Code review was finalised and approved by the Board and will be reviewed annually.

Recruitment and Induction of Trustees

Recruitment for the Foundation is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and the National Society (previously the Board of Education of the Archbishops' Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition, the Trustees have the option to co-opt three Trustees.

New Trustees are given a Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee, FARM Committee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Foundation, objects of the Foundation, structure of the Foundation including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their Trusteeship.

Connected Charity

The Bristol Diocesan Board of Finance (BDBF), charity number 248502, whose registered address is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU, provides IT services to the Foundation under a Service Level Agreement.

The majority of Trustees are nominated or co-opted from the three benefiting Dioceses.

Risk Assessment

The Trustees operate a risk management policy and, as part of a review process by the FARM Committee and annual review by the Trustees, make appropriate amendments to the Risk Register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation's assets, are closely followed. The most significant risk is the decline in Total Return. During 2024 an Investment Policy was agreed by the Trustees and as part of this policy the Trustees have ensured that reputable managers have been appointed to manage the investments that make up the Permanent Endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports and annual attendance at the Trustees meeting. As part of the Investment Policy a review of the Investment Managers on a tri annual basis is required, which will next take place in 2025.

Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

Key Management Personnel and Remuneration

In October 2022 the Foundation became an employer. It currently employs 2 personnel, equating to 1.2 Full Time Equivalents (3 personnel, 1.7 FTE – 2023): the Chief Operating Officer (COO) and Clerk to the Trustees. The Finance Manager is an external contractor. The key management personnel are paid an annual salary of £50,035 and employers' pension of £5,244.

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2024

Trustees

The Trustees of the Charity are in charge of directing and controlling the Charity. The COO, Clerk and Finance Manager have responsibility for the day-to-day running of the Charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

The Trustees who served during the period from 1 January 2024 to the date of this report was approved were as follows:

Role	Name	Nominator	Dates if part year
Chair (former)	The Rt Revd R Springett Bishop of Tewkesbury	Bishop of Gloucester	To May 24
Chair (current)	The Rt Revd N Warwick Bishop of Swindon	Bishop of Bristol	From 17th April 2024
Nominated	Mr E Gregory	Bath & Wells DBE	
	Mrs P Cosh	Bath & Wells DBE	From 17th April 2024
	Revd J Shellard-James	Bishop of Bath & Wells	To October 2024
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Revd Dr S Taylor	Bishop of Bristol	
	Mrs J Borgeaud	Gloucester DBE	From 22nd November 2023
	Mrs B Gleich	Gloucester DBE	
	Ms L Gardner	Gloucester DBF	
	Revd Leonard Browne	Bishop of Gloucester	From 20th November 2024
	Revd Sharon Roberts	Bath & Wells DBE	From 17th April 2024
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
Co-opted:	Ms K Owen-Jones		

THE FOUNDATION OF ST MATTHIAS
REPORT OF THE TRUSTEES
For the year ended 31 December 2024

Officers and Advisors of the Foundation

Chief Operations Officer	Caroline McConnell Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Clerk to the Trustees	Sarah Haughan Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Finance Manager	Elizabeth Britton Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	TC Group First Floor Premier House, 127 Duckmoor Road, Ashton Gate, Bristol, BS3 2BJ
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Bankers	National Westminster Bank Plc 45 to 49 Broadmead, Bristol, BS1 3EU

This report was approved by the Trustees on the 9th April 2025 and signed on its behalf by;



The Rt Revd N Warwick, Bishop of Swindon, Chair.

THE FOUNDATION OF ST MATTHIAS
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
For the year ended 31 December 2024

Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2024, which comprise the Statement of Financial Activities, the Balance Sheet and 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 Charity's affairs at 31 December 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- 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 to the Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity 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 within it. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent of which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the Trustees and other management (as required by auditing standards), and

discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);

- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (the Charities Act 2011), taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.
- We considered the nature of the Charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the Charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity Trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group
First Floor Premier House,
127 Duckmoor Road,
Ashton Gate,
Bristol
BS3 2BJ

THE FOUNDATION OF ST MATTHIAS
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2024

	Note	2024 Income reserve (Unrestricted) £	2024 Permanent endowment (Restricted) £	2024 Total funds £	2023 *Income reserve (Unrestricted)* £	2023 *Permanent endowment (Restricted)* £	2023 *Total funds* £
Incoming Resources							
Investment Income	3	-	241,225	241,225	-	241,554	241,554
Total incoming resources		-	241,225	241,225	-	241,554	241,554
Resources expended							
Charitable expenditure							
Expenditure on charitable activities	6	367,363	-	367,363	391,538	-	391,538
Total resources expended		367,363	-	367,363	391,538	-	391,538
Net gains on investments		-	253,565	253,565	-	828,773	828,773
Net Income / (Expenditure)		(367,363)	494,790	127,427	(391,538)	1,070,327	678,789
Transfers between funds		367,363	(367,363)	-	391,538	(391,538)	-
Net movement in funds for the year		-	127,427	127,427	-	678,789	678,789
Fund balances brought forward at 1 January		-	8,774,319	8,774,319	-	8,095,530	8,095,530
Fund balances carried forward at 31 December		-	8,901,746	8,901,746	-	8,774,319	8,774,319

All activities relate to Continued Operations

THE FOUNDATION OF ST MATTHIAS
BALANCE SHEET
For the year ended 31 December 2024

	Note	2024		2023	
		£	£	£	£
Fixed assets					
Investments					
CBF Funds	9	8,947,408		8,844,344	
			8,947,408		8,844,344
Current assets					
Cash at bank	11	71,452		44,534	
		71,452		44,534	
Current liabilities					
Grants awarded not paid	12	103,250		103,790	
Creditors	13	13,864		10,769	
		117,114		114,559	
Net current liabilities			(45,662)		(70,025)
Net assets			8,901,746		8,774,319
Funds					
Permanent endowment funds	15		8,292,466		8,090,211
Unapplied total return fund	15		609,280		684,108
Unrestricted fund	15		0		0
			8,901,746		8,774,319

These accounts were approved and authorised for issue by the Trustees on 9th April 2025

Neil Swindon

The Rt Revd N Warwick, Bishop of Swindon, Chair

The notes at page 12 to 19 form part of these accounts.

THE FOUNDATION OF ST MATTHIAS
Notes to the accounts
For the year ended 31 December 2024

1 Accounting policies

(a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2024. The financial statements have been presented in Pounds Sterling as this is the functional currency of the Charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the Charity. The principal activity of the Charity continued to be the advancement of education contributing to the advancement of the Church of England.

(b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

(c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with 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 in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements 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: 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

(d) Fund accounting

The nature and purpose of each fund are explained in note 15.

(e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CCLA pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

(g) Expenditure

All expenditure is accounted for on an accrual's basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.

(h) Investment Management costs

Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments.

(i) Grants

All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year full time course of study or on a part time basis agreed by the Trustees, funding for each year of the scholarship is conditional on an annual presentation to the Trustees, for their review and approval of the continuation of the award. Therefore, scholarships are not accrued for beyond the end of the academic year.

(j) Support Costs

As noted in the Trustees' Report, the Foundation's affairs were administered by the St Matthias Management Team. It is estimated that 75% of expenditure represents the day-to-day administration and the remaining 25% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the Charity.

(k) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Gains and Losses on investments

Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2024.

(m) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the Charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.

(n) Areas of judgement

The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key area of judgement is whether scholarship grants should be accrued for at year end.

(o) Accounting Policies: Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(p) **Accounting Policies: Retirement benefits**

As set out in Note 4, pension benefits to staff employed by the Foundation are provided through the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. This scheme is a defined benefit scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The last actuarial valuation of the scheme was completed on the 31st December 2022 and all sections of the scheme are in surplus.

Payments to the schemes are charged as an expense as they fall due.

2 Trustees remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and out of pocket expenses are reimbursed as necessary, and these amounted to £752 paid to 5 Trustees in 2024 (2023 - £848 paid to 7 Trustees).

3 Investment Income

Investment Income	2024	2023
	£	£
CBF Investment Fund dividends	240,588	241,140
Bank Account interest	637	414
	241,225	241,554

4 Staff Costs

	2024	2023
	£	£
Wages and salaries	50,035	52,296
Social Security Costs	0	1,845
Pension	5,244	5,296
	55,279	59,437

	2024	2023
	No.	No.
Number of Employees	2	3

Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund amounted to £5,244 (2023: £5,296).

Pension scheme membership

	2024	2023
	No.	No.
Average Number of staff within the Pension Scheme	2.5	3

5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the Charity. Grants awarded to the Dioceses are shown in Note 7. The amounts outstanding to Bristol Diocese at the year-end was £2,268 (2023 - £2,334) for IT Support Services.

6 Expenditure on Charitable Activities

	2024	2023
	£	£
Educational activities (Note7)	286,846	307,025
Support Costs (Note 8)	80,517	84,513
	367,363	391,538

7 Grants

	2024	2023
	£	£
In 2024, the trustees made the following corporate grants:		
Grants to Institutions:		
To Bristol, Bath & Wells and Gloucester Dioceses, £50,000 each for Diocesan Grants (2023: £55,000 each)	150,000	165,000
To Bristol, Bath & Wells and Gloucester Dioceses £5,000 each for Further Education Officers (2023: £6,667 each)	15,000	20,000
0 corporate grants of less than £1,000	-	-
2 corporate grants of £1,000 or more	12,500	7,250
	177,500	192,250
Grants to Individuals:		
6 personal grants of less than £1,000	2,500	14,675
36 personal grants of £1,000 or more	51,560	74,315
7 scholarships	55,000	25,667
Scholarship travel	286	118
Previous year grants not taken up	-	-
	109,346	114,775
	286,846	307,025

All grants awarded are for the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year:

Mr E Gregory	Diocese of Bath & Wells	Diocesan Director of Education
Mrs Jane Borgeaud	Diocese of Gloucester	Diocesan Director of Education
Mrs E Townend	Diocese of Bristol	Diocesan Director of Education
The Rt Revd R Springett Bishop of Tewkesbury	Diocese of Gloucester	Bishop of Tewkesbury
The Rt Revd N Warwick Bishop of Swindon	Diocese of Bristol	Bishop of Swindon
Revd Sharon Roberts	Diocese of Gloucester	SSM Curate in Bristol Diocese
Ms L Gardner	Diocese of Gloucester	Head of Finance

8 Support Costs

	2024	2023
	£	£
Management charge - adminstering the Foundation	-	315
Management charge - governance	-	105
Wages and salaries	55,279	59,437
Staff expenses	703	1,629
IT services	2,268	3,468
Trustee travel and catering	1,894	1,791
Audit	6,930	6,930
Bank charges	10	8
Professional fees & Insurance	11,808	10,456
Sundry expenses	1,625	374
	80,517	84,513

9 Fixed Asset Investments

Movements in CBF Investments	2024	2023
	£	£
Market value brought forward at 1 January	8,844,344	8,191,071
Add additions at cost	-	-
Less disposals	(150,500)	(175,500)
Add net gain on revaluation	253,564	828,773
Market Value carried forward as at 31 December	8,947,408	8,844,344

Investments - CBF Funds	£	£
CBF Investment Fund shares	7,563,606	7,542,053
CBF Global Equity Fund shares	1,383,802	1,302,291
	8,947,408	8,844,344

10 Debtors

There were no Debtors as at 31st December 2024 £Nil (2023 – Nil).

11 Cash at Bank

	2024	2023
	£	£
NatWest Bank	71,452	44,534
	71,452	44,534

12 Grants Awarded not yet paid

	2024	2023
	£	£
Corporate & Personal Grants	1,000	2,790
Diocesan Allowances	75,000	82,500
Scholars	27,250	18,500
	103,250	103,790

13 Creditors

	2024	2023
	£	£
Audit fees	6,930	6,930
IT Services	4,566	291
Management fees	-	2,334
Professional fees	1,600	-
Salaries and expenses	768	1,214
	13,864	10,769

14 Commitments

	2024	2023
	£	£
The scholarship awards, subject to satisfactory review, will be paid as follows:		
Within 1 year (one term of academic year 2024/25)	27,250	11,500
Beyond 1 year		
Two terms of academic year 2025/26	40,167	19,500
Academic year 2026/27	22,667	32,500
Academic year 2027/28	16,666	11,000
Academic year 2028/29	5,000	-
	84,500	63,000

15 The Funds of the Charity

The fund of the Charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of the subsequent sale of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment as at 31 December 2024 reflects the gain in the value of the investments since then, using CPI as a reference point.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the end of the year.

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to the Permanent Endowment Fund. At the end of each financial year a transfer is made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees can decide whether the remaining balance on the fund can be carried forward if not needed or allocated to be spent as income or reinvested in the Permanent Endowment Fund in a particular year.

For the year ended 31 December 2024 £367,363 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve to cover operational costs. The value of the remainder of the Permanent Endowment was preserved by a transfer based on CPI of 2.5%, of £202,255 from the Unapplied Total Return to the Fund for Investment.

Of the balance of the Permanent Endowment Reserve as at 31 December 2024 £3,777,292 (2023 £3,674,228) represented the difference between market value at that date and the cost of the investments presently held.

	Fund for Investment	**Unapplied Total Return**	**Total Endowment**
	£	**£**	**£**
At the1 January 2024:	8,090,211	684,108	8,774,319
Investment Income: Dividends and Interest	-	241,226	241,226
Investment Gains	-	253,564	253,564
Transfer to Trust for Investment	202,255	(202,255)	-
Transfer to Unrestricted Fund	-	(367,363)	(367,363)
As at 31 December 2024	8,292,466	609,280	8,901,746

Comparative Figures	Fund for Investment	Unapplied Total Return	Total Endowment
	£	£	£
At the1 January 2023:	7,779,797	315,733	8,095,530
Investment Income: Dividends and Interest	-	241,554	241,554
Investment Gains	-	828,773	828,773
Transfer to Trust for Investment	310,414	(310,414)	-
Transfer to Unrestricted Fund	-	(391,538)	(391,538)
As at 31 December 2023	8,090,211	684,108	8,774,319

Represented by	2024	2023
	£	£
CBF Funds	8,947,408	8,844,344
Other Net Current Assets	(45,662)	(70,025)
	8,901,746	8,774,319

THE FOUNDATION OF SAINT MATTHIAS

England & Wales - Charity number 311696

Accounts



THE FOUNDATION OF ST MATTHIAS

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2023

Registered Charity No 311696

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2023

The Trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objective and Activities

Objective

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

Grant-Making Policy

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 11 November 2015. The Trustees have a Projects Committee which examines applications against these criteria and makes grants to suitable applicants.

Public Benefit

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

Achievement and Performance (Review of performance in 2023)

In March 2023 the Trustees agreed to maintain the 2022 budget levels.

During the calendar year 2023 the Trustees considered 88 applications in total (excluding scholarships – see below).

81 of these were for individual grants, which included 31 requests for further funding. 76 grants were awarded, of these, 54 were of £1,000 or more, the remainder ranging from £500 to £900. The majority of studies covered theology, social work and counselling, but assistance was also given for other courses which fell within the terms of the Trust deed and which the Trustees considered to be of deserving support, including education, musical therapy, an exchange programme and the arts. 12 applicants were not awarded grants, 2 withdrew after being awarded a grant and 1 applicant requested that their award be deferred for a year.

7 corporate applications were considered. Of these, 3 applications were awarded grants ranging from £1,750 to £5,000.

Grants of £55,000 to each of the 3 Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan staffing teams to provide advisers and strategic leads for Christian character and RE.

Grants totaling £20,000 were also made to the 3 Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

Scholarships for the 2023/2024 academic year:

During the calendar year 2023 the Trustees considered 15 applications. They shortlisted 4 candidates for interview and awarded one scholarship.

- Payments totaling £11,000 continued for 2 ongoing part-time scholars;
- Final payments totaling £20,000 were made to the 2 leaving scholars in April 2023;
- The first instalment of £10,000was made to the newest scholar; and
- Partial payment of £4,000 was made to one scholar pending meeting of conditions for continuing payments.

The total of grants awarded in 2023 is shown in Note 7 on pages 16.

Financial Review (Financial Review of the Foundation)

The Balance Sheet on page 12 shows the financial position of the Foundation as at 31 December 2023, in accordance with the accounting policies outlined in the notes to the accounts.

With effect from 1 January 2018 the Trustees adopted the Total Return Investment approach consistent with the provisions of Section 4 of the Trusts (Capital and Income) Act 2013. Consequently, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year.

During 2020 the Trustees decided to consolidate the investment portfolios held with CBF Church of England Funds, managed by CCLA Investment Management Ltd (CCLA), and Investec Wealth & Investment Ltd into one portfolio with CCLA. The transfer of funds was completed and all funds held with CCLA at the 2021 year end. The Trust's investment portfolio is held with CCLA Investment Management Ltd (CCLA). The Trustees receive quarterly reports from the investment manager and conduct an annual performance review meeting.

The value of the total investment portfolio increased by £828,773 during 2023, after allowing for withdrawal of £175,500 from the Investment Fund account to fund activities.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England and revised by them from time to time.

Reserves policy

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £8,774,319 at 31 December 2023, including £684,108 in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned. During 2022 the Trustees were due to commence a review of the reserves policy in order to set agreed parameters for grant funding within which they can operate, whilst maintaining adequate reserves. The review was delayed due to the amendments in the Trust's operational structure and departure of the financial Trustee coordinating the review. The review is ongoing but no longer deemed pressing due to the reduction in these reserves.

Plans for Future Periods

In July 2023 the Trustees held an Away Day at which they considered how the activities of the Trust might develop to maximise its potential.

In November 2023 the Trustees met and considered the Budget for 2024 and agreed that expenditure should broadly be as follows:

- Diocesan Allocations £50,000 (per diocese);
- FE £5,000 (per diocese); and
- Grants and scholarship budget £101,000.

In response to initial forecasts of income and costs, the Trust reduced the Diocesan Allocations budget by £5,000 and FE grants by £2,000 per Diocese. This will be reviewed annually based on updated budget figures.

Structure, Governance and Management

Constitution of the Foundation

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds form the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. Subsequent amendments to the scheme have been approved by the Charity Commission.

Trustees' responsibilities

The Trustees, who are appointed in accordance with the Trust scheme (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and the Finance, Audit and Risk Management (FARM) Committee. Some powers are delegated to committees as follows:

- The Projects Committee awards grants and scholarships to applicants, subject to budgetary constraints agreed by the Trustees.
- The FARM Committee recommendations are ratified by the Trustees.

During the year the Trustees commenced a review of the delegated authority to ensure that they were fit for purpose. The Delegations of Financial Authority were agreed at the Trustees meeting in November 2023.

In addition to the board's twice-yearly meetings, the Projects Committee meets in March, July and October, whilst the FARM Committee meets in March, July and November.

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the Trust's affairs and of the incoming and outgoing resources of the Trust for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Trust will continue to exist.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust, and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charity Governance Code: In March 2020, the Trustees agreed to review one principle at each future meeting. Owing to the creation of the new Chief Operating Officer (COO) role within the Trust, the ongoing review of the Charity Governance Code is being conducted by the COO and is expected to be completed and presented to the Trustees for comment and approval in 2024.

Recruitment and induction of Trustees

Recruitment for the Trust is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and the National Society (previously the Board of Education of the Archbishops' Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition the Trustees have the option to co-opt three Trustees.

New Trustees are given a copy of the Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee, FARM Committee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Trust, objects of the Trust, structure of the Trust including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their trusteeship.

Connected Charity

Before October 2022, the Trust had no employees. From March 2015 to October 2022, the Bristol Diocesan Board of Finance (BDBF), registered charity number 248502, whose registered office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU was appointed to provide the services of Clerk to the Trustees.

In October 2022 the current Clerk to the Trustees was promoted to the newly created position within the Trust of Chief Operations Officer (COO). The role of Clerk was formally assumed under the full employ of the Trust and a new clerk was recruited and commenced employment in November 2022.

The Foundation's affairs are administered by the COO and Clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). The BDBF previously provided accountancy services to the Foundation for a fee of £3,900 excluding VAT in 2022. The Foundation's financial affairs are now managed by a part time Finance Manager appointed in May 2023.

The majority of the Trustees are nominated or co-opted from the three benefiting Dioceses.

Risk Assessment

The Trustees operate a risk management policy and, as part of an annual review process, make appropriate amendments to the risk register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation's assets, are closely followed. The most significant risk is the decline in Total Return. The Trustees have ensured that reputable managers have been appointed to manage the investments that make up the permanent endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports.

Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

Key management personnel remuneration

In October 2022 the Foundation became an employer. It currently employs 3 personnel, equating to 1.7 Full Time Equivalents (2 personnel, 1.2 FTE – 2022): the Chief Operating Officer (COO) and Clerk to the Trustees and Finance Manager. The key management personnel earn annual salary of £52,296 and employers pension of £5,296.

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2023

The Trustees are the key management personnel of the Charity, in charge of directing and controlling the Charity. The COO, Clerk and Finance Manager have responsibility for the day-to-day running of the Charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

Trustees

The Trustees who served during the period from 1 January 2023 to the date this report was approved were as follows:

	Name	*Nominator*	*Dates if part year:*
Chair:	The Rt Revd R Springett Bishop of Tewkesbury	Bishop of Gloucester	
Nominated:	Mr E Gregory	Bath & Wells DBE	
	Mr G Briscoe	Bath & Wells DBE	To 22 November 2023
	Mrs P Dodds	Bath & Wells DBE	To 12 July 2023
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Mrs J Borgeaud	Gloucester DBE	From 22 November 2023
	Mrs B Gleich	Gloucester DBE	
	Ms L Gardner	Gloucester DBF	
	Revd J Shellard-James	Bishop of Bath & Wells	
	Revd Dr S Taylor	Bishop of Bristol	
	Ms Jo Hunter	Interim Director of Education and SIAMs Lead	To 6 September 2023
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
Co-opted:	Ms K Owen-Jones	-	

Officers and advisers of the Foundation

Chief Operations Officer	Caroline McConnell Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Clerk to the Trustees	Sarah Haughan Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Finance Manager	Elizabeth Britton Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	TC Group St Matthew's House, Quays Office Park, Conference Avenue, Portishead, Bristol, BS207LZ
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2023

This report was approved by the Trustees on 17th April 2024 and signed on its behalf by



The Rt Revd R Springett, Bishop of Tewkesbury, Chair

Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet and 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 Charity's affairs at 31 December 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- 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 to the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity 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 within it. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent of which out procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);

- We identified the following areas as those most likely to have such an effect: health and safety;

General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.

- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (the Charities Act 2011), taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.
- We considered the nature of the Charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the Charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

TC Group
Statutory Auditor
St Matthew's House
Quays Office Park
Conference Avenue
Portishead
Bristol, BS207LZ

Date: 17 April 2024

THE FOUNDATION OF ST MATTHIAS

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2023

	Note	2023 Income Reserve Unrest'd £	2023 Perm't Endow't Rest'd £	2023 Total Funds £	2022 *Income Reserve Unrest'd* £	2022 *Perm't Endow't Rest'd* £	2022 *Total Funds* £
Income and Endowments							
Investment Income	3	-	241,554	241,554	-	242,249	242,249
Total Income		-	241,554	241,554	-	242,249	242,249
Expenditure							
Expenditure on Charitable Activities	6	391,538	-	391,538	358,774	-	358,774
Total Expenditure		391,538	-	391,538	358,774	-	358,774
Net (Loss)/Gains on Investments	15	-	828,773	828,773	-	(1,136,100)	(1,136,100)
Net Income / (Expenditure)		(391,538)	1,070,327	678,789	(358,774)	(893,851)	(1,252,625)
Transfers between funds	15	391,538	(391,538)	-	358,774	(358,774)	-
Net movement in funds		-	678,789	678,789	-	(1,252,625)	(1,252,625)
Total funds brought forward at 1 January	15	-	8,095,530	8,095,530	-	9,348,155	9.348,155
Total funds carried forward at 31 December		-	8,774,319	8,774,319	-	8,095,530	8.095,530

All activities relate to continuing operations.

THE FOUNDATION OF ST MATTHIAS

BALANCE SHEET

For the year ended 31 December 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed Assets Investments					
CBF Funds	9		8,844,344		8,191,071
Current Assets					
Debtors					
– amounts falling due within one year	10	0		13	
Cash at bank	11	44,534		34,648	
		44,534		34,661	
Current Liabilities					
Grants awarded not paid	12	103,790		105,300	
Creditors					
– amounts falling due within one year	13	10,769		24,902	
		114,559		130,202	
Net Current Liabilities			(70,025)		(95,541)
Total Net Assets			8,774,319		8,095,530
Funds of the Charity					
Permanent endowment funds	15		8,090,211		7,779,797
Unapplied total return fund	15		684,108		315,733
Unrestricted fund – income reserve	15		0		0
			8,774,319		8,095,530

These accounts were approved and authorised for issue by the Trustees on 17th April 2024

The Rt Revd R Springett Bishop of Tewkesbury, Chair

The notes at page 13 to 19 form part of these accounts.

Notes to the accounts
For the year ended 31 December 2023

1 Accounting policies

(a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2023. The financial statements have been presented in Pounds Sterling as this is the functional currency of the Charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the Charity. The principal activity of the Charity continued to be the advancement of education contributing to the advancement of the Church of England.

(b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

(c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with 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 in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements 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: 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Trustees consider that there are no material uncertainties about the Foundation’s ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

(d) Fund accounting

The nature and purpose of each fund are explained in note 16.

(e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CCLA pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

(g) Expenditure

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.

(h) Investment Management costs

Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments.

(i) Grants

All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year course of study, funding for each year of the scholarship is conditional on an annual presentation to the Trustees, for their review and approval of the continuation of the award. Therefore, scholarships are not accrued for beyond the end of the academic year.

(j) Support Costs

As noted in the Trustees' Report, the Foundation's affairs were administered by the St Matthias Clerk/Administrator, an employee of the Bristol Diocesan Board of Finance. It is estimated that 75% of the fee represents the day-to-day administration and the remaining 25% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the Charity. Also charged to governance are audit, trustees' meeting and travel costs and the costs of any professional advice received regarding the constitutional matters of the Charity. In October 2022 the former Clerk/Administrator was promoted to the role of COO under the Foundation and in November 2022 a new Clerk/Administrator was employed, also under the Foundation. In May 2023 a Finance Manager was appointed as an employee of the Foundation.

(k) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Gains and Losses on investments

Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2023.

(m) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the Charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.

(n) Areas of judgement

The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key area of judgement is whether scholarship grants should be accrued for at year end.

(o) Accounting Policies: Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the services are received Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(p) Accounting Policies: Retirement benefits

As set out in Note 4, pension benefits to staff employed by the Foundation are provided through the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. This scheme is a defined benefit scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The last actuarial valuation of the scheme was completed on the 31st December 2022 and all sections of the scheme are in surplus.

Payments to the schemes are charged as an expense as they fall due.

2 Trustees' remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and other out of pocket expenses are reimbursed as necessary, and these amounted to £848 paid to 7 Trustees in 2023 (2022 - £22 paid to 1 Trustee).

3 Investment income	2023 £	2022 £
CBF Funds Dividends	241,140	242,171
Bank Interest	414	78
	241,554	241,516

4 Staff Costs

	2023 £	2022 £
Wages and salaries	52,296	8,587
Social security costs	1,845	680
Other pension costs	5,296	-
	59,437	9,267

	2023 No.	2022 No.
Number of Employees	3	2

Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund amounted to £5,296 (2022: £Nil).

Pension scheme membership

	2023 No.	2022 No.

The average number of staff within the pension scheme was:	3	2

5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the Charity. Grants awarded to the Dioceses are shown in Note 7. Up until April 2023 the Diocese of Bristol (the Bristol Diocesan Board of Finance Limited) provided Accountancy and office services to the Foundation. It was paid £Nil (2022 - £4,959) for Accountancy services and £3,888 for Clerkship and Office services (2022 - £30,242). The amounts outstanding at the year-end were £Nil (2022 - £2,580) for Accountancy services and £2,334 (2022 - £10,285) for Office services.

6 Expenditure on Charitable Activities	**2023 £**	**2022 £**
Educational Activities (note 7)	307,025	298,860
Support Costs (note 8)	84,513	59,914
	391,538	358,774

7 Grants	**2023 £**	**2022 £**
In 2023 the Trustees made the following grants:		
Grants to Institutions		
To Bath & Wells, Bristol and Gloucester Dioceses: £55,000 each	165,000	165,000
To Bath & Wells and Gloucester Dioceses, £7,000 each and Bristol Diocese £6,000 for Further Education Officers	20,000	20,000
	-	-
3 corporate grants (2022 – 2) of £1,000 or more	7,250	3,500
	192,250	188,500
Grants to Individuals		
22 personal grants (2022 – 13) of less than £1,000	14,675	7,400
54 personal grants (2022 – 47) of £1,000 or more	74,315	71,960
2 grants were not taken up due to changes in personal circumstances. 1 requested to be deferred for a year.		
6 scholarship grants (2022 – 5) of £1,000 or more	25,667	31,000
Scholarship Travel		
	118	0
	114,775	110,360
	307,025	298,860

All grants awarded relate to the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year:

Mr E Gregory	Diocese of Bath & Wells	Diocesan Director of Education
Mrs P Dodds	Diocese of Bath & Wells	Diocesan Schools Advisor
Mrs E Townend	Diocese of Bristol	Diocesan Director of Education
The Rt Revd R Springett Bishop of Tewkesbury	Diocese of Gloucester	Bishop of Tewkesbury
Ms L Gardner	Diocese of Gloucester	Head of Finance
Mrs J Hunter	Diocese of Gloucester	Deputy Director of Education

8 Support costs	2023 £	2022 £
Management charge – administering the Foundation	315	22,682
Management charge – governance	105	7,561
Wages and salaries	59,437	9,217
Staff expenses	1,629	469
IT services	3,468	2,422
Trustees' travel and catering	1,791	22
Audit	6,930	6,600
Bank charges	8	5
Professional fees & Insurance	10,456	10,936
Sundry expenses	374	0
	84,513	59,914

Governance costs included in the above amounted to £82,713, this includes £75,783 for administration, £6,930 for audit and £Nil for accountancy services. In the prior year, governance costs amounted to £59,888, this included £48,329 for administration, £6,600 for audit and £4,959 for accountancy services.

9 Fixed Asset Investments	2023	2022
Movement in CBF Investments	£	£
Market value brought forward at 1 January 2022	8,191,071	9,367,755
Add additions at cost	0	0
Less disposals at carrying value	(175,500)	(40,584)
Add net (loss)/gain on revaluation	828,773	(1,136,100)
Market value carried forward at 31 December 2022	8,844,344	8,191,071
Investments – CBF Funds comprise	£	£
CBF Investment Fund	7,542,053	6,893,489
CBF Global Equity Fund	1,302,291	1,297,582
	8,844,344	8,191,071

10 Debtors	2023 £	2022 £
Investment income awaiting payment	-	-
Grant refund due	-	13
		-

11 Cash at Bank	2023 £	2022 £
NatWest Bank	44,534	34,648

12 Grants awarded not yet paid	2023 £	2022 £
Corporate and Personal grants	2,790	3,800
Diocesan Allowances	82,500	82,500
Scholars	18,500	19,000
	103,790	105,300

13 Creditors	2023 £	2022 £
Audit Fees	6,930	6,600
Accountancy services	-	2,520
Management fees	2,334	10,285
IT services	291	2,422
Wages and salaries	1,214	3,075
	10,769	24,902

14 Commitments	2023 £	2022 £
The scholarship awards, subject to satisfactory review, will be paid as follows:		
Within one year:		
one term of academic year 2023/24	11,500	16,000
Beyond one year:		
two terms of academic year 2024/25	19,500	21,000
academic year 2025/26	32,500	11,000
academic year 2026/27	11,000	11,000
academic year 2027/28	-	5,000
	63,000	48,000

15 The Funds of the Charity

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to either the General Fund or the Permanent Endowment Fund. At the end of each financial year a transfer is made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees can decide whether the remaining balance on the fund can be carried forward if not needed or allocated to be spent as income or reinvested in the Permanent Endowment Fund in a particular year.

For the year ended 31 December 2023 £391,538 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve. The value of the remainder of the Permanent Endowment was preserved by a transfer of £310,414 from the Unapplied Total Return to the Fund for Investment.

	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2023	7,779,797	315,733	8,095,530
Investment return: dividends and interest	-	241,554	241,554
Investment management costs	-	-	-
Investment return:			
Gains on investment	-	828,773	828,773
Recoupment of trust for investment	310,414	(310,414)	-
Unapplied total return allocated to income in the reporting period	-	(391,538)	(391,538)
As at 31 December 2023	**8,090,211**	**684,108**	**8,774,319**

Comparative Figures	Fund for Investment	Unapplied Total Return	Total Endowment
	£	£	£
As at 1 January 2022	7,038,629	2,309,526	9,348,155
Investment return: dividends and interest	-	242,249	242,249
Investment management costs	-	-	-
Investment return:			
Losses on investment	-	(1,136,100)	(1,136,100)
Recoupment of trust for investment	741,168	(741,168)	-
Unapplied total return allocated to income in the reporting period	-	(358,774)	(358,774)
As at 31 December 2022	**7,779,797**	**315,733**	**8,095,530**

	2023	*2022*
	£	£
Represented by		
CBF Funds	8,844,344	8,191,071
Other net current assets	(70,025)	(95,541)
	8,774,319	8,095,530

16 The Funds of the Charity

Of the balance on the permanent endowment reserve at 31 December 2023, £3,674,228 (2022 - £3,020,954) represented the difference between the market value at that date and the cost of the investments presently held.

The fund of the Charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of subsequent sales of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment at 31 December 2023 reflects the gain in the value of the investments since then using CPI as a point of reference.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the year end.

Document Activity Report

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THE FOUNDATION OF SAINT MATTHIAS

England & Wales - Charity number 311696

Accounts



THE FOUNDATION OF ST MATTHIAS

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2022

Registered Charity No 311696

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2022

The Trustees present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Objective and Activities

Objective

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

Grant-Making Policy

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 11 November 2015. The Trustees have a Projects Committee which examines applications in light of these criteria, and make grants to suitable applicants. In November 2015, the Trustees approved a scheme for the awarding of 3-year scholarships and the first of these awards was agreed upon in early 2016, with initial payments being made at the start of the 2016/17 academic year. The Trustees have been pleased with this initial group of scholars and have agreed to extend scholarships into their normal grant-making procedures.

Public Benefit

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

Covid-19

In mid-late March 2020 the Covid-19 pandemic started to impact activities. The Trustees reviewed the likely impact of the pandemic on the Foundation and identified the following key areas for attention, implementing the changes as detailed and these arrangements remained in place throughout 2021:

- Meeting in person
  An Emergency Resolution was approved in April 2020 to allow meetings to be held remotely using digital media until such time as the Trustees can meet in person.
- Handling physical grant applications
  Normal deadlines were retained for applications. However, the process for receiving applications was adapted so as to be able to receive applications by email.
- Processing financial transactions
  An Emergency Resolution was approved in April 2020 allowing payments to be processed by electronic bank transfer, subject to email authorisation by two signatory trustees using their existing email accounts until such time as the Trustees can meet in person.
- Investments and reserves
  Additional meetings of the FARM Committee were held in May and August to monitor the impact on finances on the reserves of the Foundation. It was agreed that a more conservative approach was required to maintain a level of reserves to sustain the Foundation for the future. Consequently, the offer of additional funding made to the Dioceses in March was withdrawn, and a reduction of £30,000 made in the funding for grants.

Achievement and Performance (Review of performance in 2022)

In March 2022 the Trustees agreed to maintain the 2021 budget levels.

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2022

During the calendar year 2022 the Trustees considered 73 applications in total.

69 of these were for individual grants; which included 14 requests for further funding, of which 62 were awarded. Of these, 48 were of £1,000 or more, the remainder ranging from £200 to £850. The majority of studies covered theology, social work and counselling, but assistance was also given for other courses which fell within the terms of the Trust deed and which the Trustees considered to be of deserving support, including education, musical therapy and the arts. 13 applicants were not awarded a grant, 1 withdrew after being awarded a grant, 1 applicant had their award reduced after disclosure of receipt of another grant, 1 award was increased due to the applicant upgrading their course to a Masters and 1 applicant withdrew before consideration.

4 corporate applications were also considered. Of these 4 applications, 3 were awarded grants ranging from £1,000 to £5,000. 1 was not awarded a grant but invited to resubmit the same application, provided certain satisfactory information was provided.

Grants of £55,000 to each of the 3 Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan resource centres, providing in-service training and training resources for teachers.

Grants totalling £20,000 were also made to the 3 Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

Scholarships for the 2022/2023 academic year:

Payment continued for 2 scholars, who will be completing their studies at the end of the 2022/2023 academic year:

Szilvi Watson:	£10,000 for her DPhil in Education at Oxford University
Oliver Peel:	£10,000 for his PhD at King's College London

Payments started in September 2022 for 1 new scholar:

Michaela Copsey:	£6,000 for up to 5 academic years for her PhD in Practical Theology at Anglia Ruskin University (in conjunction with Cambridge Theological Federation) (part-time)

Payments started in November 2022 for Abraham Murad, who was approved for a Scholarship for his PhD in Theology at Oxford University. He was initially due to commence in September 2021, however, his commencement (and scholarship payments) were deferred (after consideration and approval by the Trustees) until September 2022 due to COVID and funding issues.

The scholar Sian Brookes began receiving scholarship payments of £5,000 for up to 6 academic years for her PhD at Aberdeen University (part-time) in September 2021 for the 2021/2022 academic year. She went on maternity leave for the academic year 2022/2023 and after consideration and approval by the Trustees, her scholarship commitment was deferred to continue from September 2023 for the 2023/2024 academic year.

During the year, the following student completed her studies supported by a scholarship that was awarded during the year ended 31 December 2022:

Christie Gilfeather (neé Broom)	PhD in the Divinity Faculty at Cambridge University

The total of grants awarded in 2022 is shown in Note 7 on pages 15 and 16.

Financial Review (Financial Review of the Foundation)

The Balance Sheet on page 11 shows the financial position of the Foundation as at 31 December 2022, in accordance with the accounting policies outlined in the notes to the accounts.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. The Trustees adopted the Total Return Investment approach with effect from 1 January 2018. As a consequence, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year.

During 2020 the Trustees decided to consolidate the investment portfolios held with CBF Church of England Funds, managed by CCLA Investment Management Ltd (CCLA), and Investec Wealth & Investment Ltd into one portfolio with CCLA. The transfer of funds was completed and all funds held with CCLA at the 2021 year end. The Trustees receive quarterly reports from the investment manager and conduct an annual performance review meeting.

The value of the total investment portfolio decreased by £1,136,100 during 2022, after allowing for withdrawal of £40,583.88 from the Investment Fund account to fund activities.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England, and revised by them from time to time.

Reserves policy

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £8,095,530 at 31 December 2022, including £315,733 in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned. During 2021 the Trustees commenced a review of the reserves policy in order to set agreed parameters for grant funding within which they can operate, whilst maintaining adequate reserves. The review was delayed due to the amendments in the Trust's operational structure and departure of the financial Trustee co-ordinating the review. The review is ongoing and now expected to be completed during 2023.

Plans for Future Periods

In November 2022 the Trustees met and considered the Budget for 2023 and provisionally agreed that expenditure should broadly be as follows:

- Diocesan Allocations £55,000 (per diocese);
- FE £7,000 (per diocese); and
- Grants and scholarship budget £150,000.

It was agreed that the budget would be formally confirmed at the first meeting of the Trustees in 2023.

Structure, Governance and Management

Constitution of the Foundation

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds form the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. In November 2015, the Trustees agreed to reduce the number needed to be present for a meeting to be quorate; this amendment has been approved by the Charity Commission.

Trustees' responsibilities

The Trustees, who are appointed in accordance with the Trust deed (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and the Finance, Audit and Risk Management (FARM) Committee. Some powers are delegated to committees as follows:

- The Projects Committee is able to award grants and scholarships to applicants, subject to budgetary constraints agreed by the Trustees.
- The FARM Committee recommendations are ratified by the Trustees.

During the year the Trustees commenced a review of the delegated authority in order to ensure that they were fit for purpose.

In addition to the twice-yearly meetings the Projects Committee meets in July, whilst the FARM Committee meets in August.

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming and outgoing resources of the Trust for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Trust will continue to exist.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
Charity Governance Code: In March 2020, the Trustees agreed to review one principle at each future meeting. Owing to the creation of the new COO role within the Trust, the ongoing review of the Charity Governance Code will be continued by the new COO and is expected to be completed and presented to the Trustees for comment and approval in 2023.

Recruitment and induction of Trustees

Recruitment for the Trust is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and the National Society (previously the Board of Education of the Archbishops' Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition the Trustees have the option to co-opt three Trustees.

New Trustees are given a copy of the Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Trust, objects of the Trust, structure of the Trust including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their trusteeship.

Connected Charity

Before October 2022, the Trust had no employees. From March 2015 to October 2022, the Bristol Diocesan Board of Finance (BDBF), registered charity number 248502, whose registered office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU was appointed to provide the services of Clerk to the Trustees.

In October 2022 the current Clerk to the Trustees was promoted to the newly created position within the Trust of Chief Operations Officer (COO). The role of Clerk was formally assumed under the full employ of the Trust and a new clerk was recruited and commenced employment in November 2022.

The Foundation's affairs are administered by the COO and Clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). Formerly, all affairs were administered by St Matthias Administrator (an employee of BDBF), for which the Foundation paid a fee of £20,550.40 from January to September 2022, (2021 - £28,996). The BDBF continues to provided accountancy services to the Foundation for a fee of £3,900 excluding VAT in 2022 (2021 - £4,275).

The majority of the Trustees are nominated or co-opted from the three benefiting Dioceses.

Risk Assessment

The Trustees operate a risk management policy and, as part of an annual review process, make appropriate amendments to the risk register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation's assets, are closely followed. The most significant risk is the decline in Total Return. The Trustees have ensured that reputable managers have been appointed to manage the investments that make up the permanent endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports.

In March 2020 the Trustees were notified of a potential claim regarding the possibility of an asbestos-related disease in connection with the former St Matthias College building. The information had been forwarded to Ecclesiastical, the then Insurer, who have confirmed that the allegations are being investigated. The matter was reported to the Charity Commission as a Serious Incident Report 7th July 2020, as a matter of good governance. The Charity Commission acknowledged receipt on 10th July (incident number 6349). The potential claim was withdrawn in August 2022 without any formal proceedings being initiated.

Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

Key management personnel remuneration

In October 2022 the Foundation became an employer. It currently employs 2 personnel: the Chief Operating Officer (COO) and Clerk to the Trustees. The COO and Clerk earn annual salaries of £24,000 and £10,000, respectively.

The Trustees are the key management personnel of the Charity, in charge of directing and controlling the Charity. The COO and Clerk have responsibility for the day-to-day running of the Charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

Trustees

The Trustees who served during the period from 1 January 2022 to the date this report was approved were as follows:

	Name	*Nominator*	*Dates if part year:*
Chair:	The Rt Revd R Springett Bishop of Tewkesbury	Bishop of Gloucester	
Nominated:	Mr E Gregory	Bath & Wells DBE	
	Mr G Briscoe	Bath & Wells DBE	
	Mrs P Dodds	Bath & Wells DBE	
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Mrs J Ridgway	Gloucester DBE	To 9 November 2022
	Mrs B Gleich	Gloucester DBE	
	Mrs J Hunter	Gloucester DBE	

	Ms L Gardner	Gloucester DBF	From 9 November 2022
	Revd J Shellard-James	Bishop of Bath & Wells	
	Revd Dr S Taylor	Bishop of Bristol	
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
Co-opted:	Miss K Owen-Jones	-	

Officers and advisers of the Foundation

Chief Operations Officer	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Clerk to the Trustees	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Accountant	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	TC Group St Matthew's House, Quays Office Park, Conference Avenue, Portishead, Bristol, BS207LZ
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF

This report was approved by the Trustees on 26th July 2023 and signed on its behalf by

+ R b A

The Rt Revd R Springett, Bishop of Tewkesbury, Chair
26 July 2023

Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and 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 Charity's affairs at 31 December 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes or our audit.

Responsibilities to the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 and 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 with it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the charity, including the Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group
Statutory Auditor
St Matthew's House
Quays Office Park
Conference Avenue
Portishead
Bristol, BS207LZ

Date: 26 July 2023

THE FOUNDATION OF ST MATTHIAS

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2022

	Note	2022 Income Reserve Unrest'd £	2022 Perm't Endow't Rest'd £	2022 Total Funds £	2021 *Income Reserve Unrest'd* £	2021 *Perm't Endow't Rest'd* £	2021 *Total Funds* £
Income and Endowments							
Investment Income	3	-	242,249	242,249	-	222,429	222,429
Total Income		-	242,249	242,249	-	222,429	222,429
Expenditure							
Expenditure on Charitable Activities	6	358,774	-	358,774	320,843	-	320,843
Total Expenditure		358,774	-	358,774	320,843	-	320,843
Net (Loss)/Gains on Investments	15	-	(1,136,100)	(1,136,100)	-	1,129,148	1,129,148
Net Income / (Expenditure)		(358,774)	(893,851)	(1,252,625)	(320,843)	1,351,577	1,030,734
Transfers between funds	15	358,774	(358,774)	-	320,843	(320,843)	-
Net movement in funds		-	(1,252,625)	(1,252,625)	-	1,030,734	1,030,734
Total funds brought forward at 1 January	15	-	9,348,155	9,348,155	-	8,317,421	8,317,421
Total funds carried forward at 31 December		-	8,095,530	8,095,530	-	9,348,155	9,348,155

All activities relate to continuing operations.

THE FOUNDATION OF ST MATTHIAS

BALANCE SHEET
For the year ended 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Investments					
CBF Funds	9		8,191,071		9,367,755
Current Assets					
Debtors					
– amounts falling due within one year	10	13		-	
Cash at bank	11	34,648		14,600	
		34,661		14,600	
Current Liabilities					
Grants awarded not paid	12	105,300		30,000	
Creditors					
– amounts falling due within one year	13	24,902		4,200	
		130,202		34,200	
Net Current Liabilities/Assets			(95,541)		(19,600)
Total Net Assets			8,095,530		9,348,155
Funds of the Charity					
Permanent endowment funds	15		7,779,797		7,038,629
Unapplied total return fund	15		315,733		2,309,526
Unrestricted fund – income reserve	15		-		-
			8,095,530		9,348,155

These accounts were approved and authorised for issue by the Trustees on 26 July 2023

The Rt Revd R Springett Bishop of Tewkesbury, Chair

The notes at page 12 to 18 form part of these accounts. The Auditor's Report is on pages 7 to 9.

Notes to the accounts
For the year ended 31 December 2022

1 Accounting policies

(a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2022. The financial statements have been presented in Pounds Sterling as this is the functional currency of the Charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the Charity. The principal activity of the Charity continued to be the advancement of education contributing to the advancement of the Church of England.

(b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

(c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with 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 in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements 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: 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Trustees have considered the implications of the Covid-19 pandemic in assessing the Charity’s ability to continue as a going concern. Please see the Trustees Report for further details. The Trustees consider that there are no material uncertainties about the Foundation’s ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

(d) Fund accounting

The nature and purpose of each fund are explained in note 16.

(e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CBF pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

Notes to the accounts
For the year ended 31 December 2022 (cont)

(g) Expenditure

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.

(h) Investment Management costs

Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments.

(i) Grants

All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year course of study. Funding for each year of the scholarship is conditional on an annual presentation to the Trustees, for their review and approval of the continuation of the award. Therefore, scholarships are not accrued for beyond the end of the academic year.

(j) Support Costs

As noted in the Trustees' Report, the Foundation's affairs were administered by the St Matthias Administrator, an employee of the Bristol Diocesan Board of Finance. It is estimated that 75% of the fee represents the day-to-day administration and the remaining 25% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the Charity. Also charged to governance are audit, trustees' meeting and travel costs and the costs of any professional advice received regarding the constitutional matters of the Charity. In October 2022 the former Administrator was promoted to the role of COO under the Foundation and in November a new Administrator was employed, also under the Foundation.

(k) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Gains and Losses on investments

Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2022.

(m) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the Charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.

(n) Areas of judgement

The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key area of judgement is whether scholarship grants should be accrued for at year end.

(o) Accounting Policies: Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(p) Accounting Policies: Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Trustees' remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and other out of pocket expenses are reimbursed as necessary, and these amounted to £22 paid to 1 Trustee in 2022 (2021 - £30 paid to 1 Trustee).

3 Investment income

	2022	2021
	£	£
CBF Funds Dividends	242,171	210,240
Investec Interest & Dividends	-	12,185
Bank Interest	78	4
	242,249	222,429

4 Staff Costs

	Total 2022	Total 2021
	£	£
Wages and salaries	8,587	-
Social security costs	680	-
Other pension costs	-	-
	9,267	-

2022	2021
No.	No.
2	-

Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund amounted to £Nil (2021: £Nil).

5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the Charity. Grants awarded to the Dioceses are shown in Note 7. The Diocese of Bristol (the Bristol Diocesan Board of Finance Limited) provides Accountancy and office services to the Foundation and provided the service of Clerk to the Foundation to 30 September 2022. It was

paid £4,959 (2021 - £4,275) for Accountancy services and £30,242 for Clerkship and Office services (2021 - £28,996). The amounts outstanding at the year end were £2,580 (2021 - £nil) for Accountancy services and £10,285 (2021-£nil) for Clerkship and office services.

6 Expenditure on Charitable Activities

	2022 £	2021 £
Grants (note 7)	298,860	281,419
Support Costs (note 8)	59,914	39,424
	358,774	320,843

7 Grants

	2022 £	2021 £
In 2022 the Trustees made the following grants:		
Grants to Institutions		
To Bath & Wells, Bristol and Gloucester Dioceses: £55,000 each	165,000	150,000
To Bath & Wells and Bristol Dioceses, £7,000 each and Gloucester Diocese £6,000 for Further Education Officers	20,000	18,000
0 corporate grant (2021 – 0) of less than £1,000	-	-
2 corporate grants (2021 – 4) of £1,000 or more	3,500	8,900
	188,500	176,900
Grants to Individuals		
13 personal grants (2021 – 21) of less than £1,000	7,400	11,800
47 personal grants (2021 – 36) of £1,000 or more	71,960	48,270
5 scholarship grants (2021 – 5) of £1,000 or more	31,000	45,000
Previous year grants not taken up	-	(551)
	110,360	104,519
	298,860	281,419

Notes to the accounts
For the year ended 31 December 2022 (cont)

7 Grants (continued)

All grants awarded relate to the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year:

Mrs P Dodds	Diocese of Bath & Wells	Diocesan Schools Advisor

8 Support costs

	2022 £	2021 £
Management charge – administering the Foundation	22,682	21,747
Management charge – governance	7,561	7,249
Wages and salaries	9,217	-
Staff expenses	469	-
IT services	2,422	-
Trustees' travel and catering	22	30
Audit	6,600	4,200
Bank charges	5	8
Professional fees	10,936	5,967
Sundry expenses	-	223
	59,914	39,424

Governance costs included in the above amounted to £59,888, this includes, £48,329 for administration, £6,600 for audit and £4,959 for accountancy services. In the prior year, governance costs amounted to £39,163, this included £28,996 for administration, £4,200 for audit and £5,967 for accountancy services.

Fixed Asset Investments

9 Movement in CBF Investments

	2022 £	2021 £
Market value brought forward at 1 January 2022	9,367,755	4,760,007
Add additions at cost	-	3,526,500
Less disposals at carrying value	(40,584)	(50,000)
Add net (loss)/gain on revaluation	(1,136,100)	1,131,248
Market value carried forward at 31 December 2022	8,191,071	9,367,755

Investments – CBF Funds comprise	£	£
CBF Investment Fund	6,893,489	7,858,352
CBF Global Equity Fund	1,297,582	1,509,403
	8,191,071	9,367,755

Notes to the accounts
For the year ended 31 December 2022 (cont)

10 Debtors	2022 £	2021 £
Investment income awaiting payment	-	-
Grant refund due	13	-
	13	-

11 Cash at Bank	2022 £	2021 £
NatWest Bank	34,648	14,600

12 Grants awarded not yet paid	2022 £	2021 £
Corporate and Personal grants	3,800	8,500
Diocesan Allowances	82,500	-
Scholars	19,000	21,500
	105,300	30,000

13 Creditors	2022 £	2021 £
Audit Fees	6,600	4,200
Accountancy services	2,520	-
Management fees	10,285	-
IT services	2,422	-
Wages and salaries	3,075	-
	24,902	4,200

14 Commitments	2022 £	2021 £
The scholarship awards, subject to satisfactory review, will be paid as follows:		
Within one year:		
one term of academic year 2023/24	16,000	16,500
Beyond one year:		
two terms of academic year 2024/25	21,000	8,500
academic year 2025/26	11,000	15,000
academic year 2026/27	11,000	-
academic year 2027/28	5,000	-
	48,000	23,500

15 The Funds of the Charity

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to either the General Fund or the Permanent Endowment Fund. At the end of each financial year a transfer is made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees can decide the whether the remaining balance on the fund can be carried forward if not needed or allocated to be spent as income or reinvested in the Permanent Endowment Fund in a particular year.

For the year ended 31 December 2022 £358,774 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve. The value of the remainder of the Permanent Endowment was preserved by a transfer of £741,168 from the Unapplied Total Return to the Fund for Investment.

	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2022	7,038,629	2,309,526	9,348,155
Investment return: dividends and interest	-	242,249	242,249
Investment management costs	-	-	-
Investment return:			
Losses on investment	-	(1,136,100)	(1,136,100)
Recoupment of trust for investment	741,168	(741,168)	-
Unapplied total return allocated to income in the reporting period	-	(358,774)	(358,774)
As at 31 December 2022	**7,779,797**	**315,734**	**8,095,530**

Comparative Figures	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2021	6,678,016	1,639,405	8,317,421
Investment return: dividends and interest	-	222,429	222,429
Investment management costs	-	-	-
Investment return:			
Gains on investment	-	1,129,148	1,129,148
Recoupment of trust for investment	360,613	(360,613)	-
Unapplied total return allocated to income in the reporting period	-	(320,843)	(320,843)
As at 31 December 2021	**7,038,629**	**2,309,526**	**9,348,155**

	2022 £	2021 £
Represented by		
CBF Funds	8,191,071	9,367,755
Investec Wealth	-	-
Other net current assets	(95,541)	(19,600)
	8,095,530	9,348,155

16 The Funds of the Charity

Of the balance on the permanent endowment reserve at 31 December 2022, £3,020,954 (2021 £4,154,463) represented the difference between the market value at that date and the cost of the investments presently held.

The fund of the Charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of subsequent sales of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment at 31 December 2021 reflects the gain in the value of the investments since then using CPI as a point of reference.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the year end.

THE FOUNDATION OF SAINT MATTHIAS

England & Wales - Charity number 311696

Accounts



THE FOUNDATION OF ST MATTHIAS

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2021

Registered Charity No 311696

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Objective and Activities

Objective

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

Grant-Making Policy

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 11 November 2015. The Trustees have a Projects Committee which examines applications in light of these criteria, and make grants to suitable applicants. In November 2015, the Trustees approved a scheme for the awarding of 3-year scholarships and the first of these awards was agreed upon in early 2016, with initial payments being made at the start of the 2016/17 academic year. The Trustees have been pleased with this initial group of scholars and have agreed to extend scholarships into their normal grant-making procedures.

Public Benefit

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

Covid-19

In mid-late March 2020 the Covid-19 pandemic started to impact activities. The Trustees reviewed the likely impact of the pandemic on the Foundation and identified the following key areas for attention, implementing the changes as detailed and these arrangements remained in place throughout 2021:

- Meeting in person
  An Emergency Resolution was approved in April 2020 to allow meetings to be held remotely using digital media until such time as the Trustees can meet in person.
- Handling physical grant applications
  Normal deadlines were retained for applications. However, the process for receiving applications was adapted so as to be able to receive applications by email.
- Processing financial transactions
  An Emergency Resolution was approved in April 2020 allowing payments to be processed by electronic bank transfer, subject to email authorisation by two signatory trustees using their existing email accounts until such time as the Trustees can meet in person.
- Investments and reserves
  Additional meetings of the FARM Committee were held in May and August to monitor the impact on finances on the reserves of the Foundation. It was agreed that a more conservative approach was required to maintain a level of reserves to sustain the Foundation for the future. Consequently, the offer of additional funding made to the Dioceses in March was withdrawn, and a reduction of £30,000 made in the funding for grants.

Achievement and Performance (Review of performance in 2021)

In March 2021 the Trustees agreed to maintain the reduced 2020 budget levels, in view of the continued uncertainty of investment performance due to the pandemic.

During the calendar year 2021 the Trustees considered 80 applications in total.

They considered 75 applications for individual grants; including 15 requests for further funding, of which 58 were awarded. Of these, 41 grants were of £1,000 or more, the remainder ranging from £200 to £850. Again, the majority of studies covered theology, social work and counselling, but assistance was also given for other courses which fell within the terms of the Trust deed and which the Trustees considered to be deserving of support. 12 were not awarded a grant (including 3 withdrawals before consideration).

5 corporate applications were also considered. Of these 5 applications, 3 were awarded grants ranging from £2,400 to £3,500; 2 were not awarded.

Grants of £50,000 to each of the three Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan resource centres, providing in-service training and training resources for teachers.

Grants totalling £18,000 were also made to the three Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

Scholarships for the 2021/2022 academic year:

Payment continued for 3 scholars:

Christie Broom:	£10,000 for her PhD in the Divinity Faculty at Cambridge University
Szilvi Watson:	£10,000 for her DPhil in Education at the University of Oxford
Oliver Peel:	£10,000 for his PhD at King's College London

Payments started in September 2021 for 1 new scholar:

Sian Brookes:	£5,000 for up to 6 academic years for her PhD at Aberdeen University (part-time)

During the year, the Trustees considered and approved a Scholarship application from Abraham Murad, which was due to commence in September 2021. However, due to COVID and funding issues Abraham was unable to commence his studies in September and the Trustees considered and approved a request to defer the commencement of the grant until September 2022.

Scholars are invited to present at the Trustees meeting and renewal of the scholarships for the next academic year is subject to receiving satisfactory review and approval by the Trustees.

During the year, the following student completed their studies supported by a scholarship that was awarded during the year ended 31 December 2021:

Niamh Colbrook - PhD in Theology and Religious Studies at Cambridge University..

The total of grants awarded in 2021 is shown in Note 7 on pages 14 and 15.

Financial Review (Financial Review of the Foundation)

The Balance Sheet on page 11 shows the financial position of the Foundation as at 31 December 2021, in accordance with the accounting policies outlined in the notes to the accounts.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. The Trustees adopted the Total Return Investment approach with effect from 1 January 2018. As a consequence, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year.

During 2020 the Trustees decided to consolidate the investment portfolios held with CBF Church of England Funds, managed by CCLA Investment Management Ltd (CCLA), and Investec Wealth & Investment Ltd into one portfolio with CCLA. The transfer of funds was completed during 2021 and all funds were held with CCLA at the year end. The Trustees receive quarterly reports from the investment managers and conduct an annual performance review meeting.

The value of the total investment portfolio increased by 13.02% during 2021, after allowing for withdrawal of £50,000 from the Income Reserve account to fund activities.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England, and revised by them from time to time.

Reserves policy

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £9.34 million at 31 December 2021, including £2.31 million in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned. During the year the Trustees commenced a review of the reserves policy in order to set agreed parameters for grant funding within which they can operate, whilst maintaining adequate reserves. The conclusion of this review is expected to be completed during 2022.

Plans for Future Periods

In November 2021 the Trustees met and considered the Budget for 2022 and provisionally agreed that expenditure should broadly be as follows:

- Diocesan Allocations £55,000 (per diocese);
- FE £7,000 (per diocese); and
- Grants and scholarship budget £150,000.

It was agreed that the budget would be formally confirmed at the first meeting of the Trustees in 2022.

Structure, Governance and Management

Constitution of the Foundation

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds form the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. In November 2015, the Trustees agreed to reduce the number needed to be present for a meeting to be quorate; this amendment has been approved by the Charity Commission.

Trustees' responsibilities

The Trustees, who are appointed in accordance with the Trust deed (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and the Finance, Audit and Risk Management (FARM) Committee. Some powers are delegated to committees as follows:

- The Projects Committee is able to award grants and scholarships to applicants, subject to budgetary constraints agreed by the Trustees.
- The FARM Committee recommendations are ratified by the Trustees.

During the year the Trustees commenced a review of the delegated authority in order to ensure that they were fit for purpose.

In addition to the twice-yearly meetings the Projects Committee meets in July, whilst the FARM Committee meets in August..

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming and outgoing resources of the Trust for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Trust will continue to exist.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
Charity Governance Code: In March 2020, the Trustees agreed to review one principle at each future meeting. During 2021 the Trustees undertook reviews of the second and third principles, "Leadership" and "Integrity".

Recruitment and induction of Trustees

Recruitment for the Trust is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and the National Society (previously the Board of Education of the Archbishops' Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition the Trustees have the option to co-opt three Trustees.

New Trustees are given a copy of the Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Trust, objects of the Trust, structure of the Trust including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their trusteeship.

Connected Charity

The Trust has no employees. In March 2015, the Bristol Diocesan Board of Finance (BDBF), registered charity number 248502, whose registered office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU was appointed to provide the services of Clerk to the Trustees.

The Foundation's affairs are administered by the St Matthias Administrator (an employee of BDBF), for which the Foundation paid a fee of £28,996 in 2021, (2020 - £28,879). With effect from July 2019 the BDBF has also provided accountancy services to the Foundation for a fee of £4,275 in 2021 (2020 - £4,785).

The majority of the Trustees are nominated or co-opted from the three benefiting Dioceses.

Risk Assessment

The Trustees operate a risk management policy and, as part of an annual review process, make appropriate amendments to the risk register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation's assets, are closely followed. The most significant risk is the decline in Total Return. The Trustees have ensured that reputable managers have been appointed to manage the investments that make up the permanent endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports.

In March 2020 the Trustees were notified of a potential claim regarding the possibility of an asbestos-related disease in connection with the former St Matthias College building. The information had been forwarded to Ecclesiastical, the then Insurer, who have confirmed that the allegations are being investigated. The matter was reported to the Charity Commission as a Serious Incident Report 7th July 2020, as a matter of good governance. The Charity Commission acknowledged receipt on 10th July (incident number 6349).

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2021

Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

Key management personnel remuneration

The Foundation has no employees and no cost of remuneration.

The Trustees are the key management personnel of the Charity, in charge of directing and controlling the Charity. As noted above, an employee of the BDBF has responsibility for the day-to-day running of the Charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

Trustees

The Trustees who served during the period from 1 January 2021 to the date this report was approved were as follows:

	Name	*Nominator*	*Dates if part year:*
Chair:	The Rt Revd R Springett Bishop of Tewkesbury	Bishop of Gloucester	
Nominated:	Mr E Gregory	Bath & Wells DBE	To 15 June 2021
	Miss S Kindleysides	Bath & Wells DBE	From 5 November 2021
	Mr G Briscoe	Bath & Wells DBE	
	Mrs P Dodds	Bath & Wells DBE	
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Mrs J Ridgway	Gloucester DBE	
	Mrs B Gleich	Gloucester DBE	
	Mrs J Hunter	Gloucester DBE	
	Revd J Shellard-James	Bishop of Bath & Wells	
	Revd Dr S Taylor	Bishop of Bristol	
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
Co-opted:	Miss K Owen-Jones	-	

Officers and advisers of the Foundation

Clerk to the Trustees	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Accountant	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	Burton Sweet Limited The Clock Tower, Farleigh Court, Old Weston Road, Flax Bourton, Bristol, BS48 1UR
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET Investec Wealth & Investment Limited 30 Gresham Street, London, EC2V 7QN (to 27 July 2021)

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES

For the year ended 31 December 2021

Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF

This report was approved by the Trustees on 9th March 2022 and signed on its behalf by

+ Robert

The Rt Revd R Springett, Bishop of Tewkesbury, Chair
17 May 2022

Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and 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).

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of the Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If

we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes or our audit.

Responsibilities to the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 and 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 with 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the charity, including the Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

Burton Sweet Limited
Statutory Auditor
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 17 May 2022

THE FOUNDATION OF ST MATTHIAS

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2021

	Note	2021 Income Reserve Unrest'd £	2021 Perm't Endow't Rest'd £	2021 Total Funds £	2020 Income Reserve Unrest'd £	2020 Perm't Endow't Rest'd £	2020 Total Funds £
Income and Endowments							
Investment Income	3	-	222,429	222,429	-	233,849	233,849
Total Income		-	222,429	222,429	-	233,849	233,849
Expenditure							
Cost of Raising Funds Investment Management Costs		-	-	-	-	21,923	21,923
Expenditure on Charitable Activities	6	320,843	-	320,843	314,875	-	314,875
Total Expenditure		320,843	-	320,843	314,875	21,923	336,798
Net Gains on Investments		-	1,129,148	1,129,148	-	352,606	352,606
Net Income / (Expenditure)		(320,843)	1,351,577	1,030,734	(314,875)	564,532	249,657
Transfers between funds		320,843	(320,843)	-	314,875	(314,875)	-
Net movement in funds		-	1,030,734	1,030,734	-	249,657	249,657
Total funds brought forward at 1 January		-	8,317,421	8,317,421	-	8,067,764	8,067,764
Total funds carried forward at 31 December		-	9,348,155	9,348,155	-	8,317,421	8,317,421

All activities relate to continuing operations.

THE FOUNDATION OF ST MATTHIAS

BALANCE SHEET
For the year ended 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Investments					
CBF Funds	9		9,367,755		4,760,007
Investec Wealth	10		-		456,713
			9,367,755		5,216,720
Current Assets					
Debtors					
– amounts falling due within one year	11	-		22,893	
Cash at bank	12	14,600		3,096,064	
		14,600		3,118,957	
Current liabilities					
Grants awarded not paid	13	30,000		14,675	
Creditors					
– amounts falling due within one year	14	4,200		3,581	
		34,200		18,256	
Net current assets			(19,600)		3,100,701
Net assets			9,348,155		8,317,421
Funds of the Charity					
Permanent endowment funds	16		7,038,629		6,678,016
Unapplied total return fund	16		2,309,526		1,639,405
Unrestricted fund – income reserve	16		-		-
			9,348,155		8,317,421

These accounts were approved and authorised for issue by the Trustees on 9th March 2022.

The Rt Revd R Springett Bishop of Tewkesbury, Chair

This Balance Sheet should be read in conjunction with the Notes to the Accounts on pages 12 to 18.
The Auditor's Report is on pages 7 to 9.

Notes to the accounts
For the year ended 31 December 2021

1 Accounting policies

(a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2021. The financial statements have been presented in Pounds Sterling as this is the functional currency of the Charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the Charity. The principal activity of the Charity continued to be the advancement of education contributing to the advancement of the Church of England.

(b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

(c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with 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 in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements 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: 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Trustees have considered the implications of the Covid-19 pandemic in assessing the Charity's ability to continue as a going concern. Please see the Trustees Report for further details. The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

(d) Fund accounting

The nature and purpose of each fund are explained in note 16.

(e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CBF pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

Investec receives interest and dividends when paid in respect of investments held, and pays these over at the end of each calendar quarter. Interest from fixed interest investments earned but not paid at the year-end is accounted for as due.

(g) Expenditure

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.

(h) Investment Management costs

Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments. Investments managed by Investec are, however, subject to a management cost, which is charged to the Unapplied Total Return in the year to which the cost relates.

(i) Grants

All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year course of study. Funding for each year of the scholarship is conditional on an annual presentation to the Trustees, for their review and approval of the continuation of the award. Therefore, scholarships are not accrued for beyond the end of the academic year.

(j) Support Costs

As noted in the Trustees' Report, the Foundation's affairs are administered by the Saint Matthias Administrator, an employee of the Bristol Diocesan Board of Finance. It is estimated that 75% of the fee represents the day-to-day administration and the remaining 25% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the Charity. Also charged to governance are audit, trustees' meeting and travel costs and the costs of any professional advice received regarding the constitutional matters of the Charity.

(k) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Gains and Losses on investments

Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2021.

(m) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the Charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.

(n) Areas of judgement

The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key

area of judgement is whether scholarship grants should be accrued for at year end. Where these are conditional, they have been disclosed as a commitment in note 15 and only accrued for once the conditions have been met.

2 Trustees' remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and other out of pocket expenses are reimbursed as necessary, and these amounted to £30 paid to 1 Trustee in 2021 (2020 - £122 paid to 2 Trustees).

3 Investment income

	2021 £	2020 £
CBF Funds Dividends	210,240	134,002
Investec Interest & Dividends	12,185	99,766
Investec Deposit Fund Interest	-	21
Bank Interest	4	60
	222,429	233,849

4 Staff Costs

The Charity has no employees and therefore has incurred no staff costs.

5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the Charity. Grants awarded to the Dioceses are shown in Note 7. The Diocese of Bristol (the Bristol Diocesan Board of Finance Limited) performs the role of Clerk to the Foundation and Accountant for which it was paid £28,996 (2020 - £28,879) and £4,275 in 2021 (2020 - £4,785) respectively. There were no outstanding amounts at year end.

6 Expenditure on Charitable Activities

	2021 £	2020 £
Grants (note 7)	281,419	276,735
Support Costs (note 8)	39,424	38,140
	320,843	314,875

7 Grants

	2021 £	2020 £
In 2021 the Trustees made the following grants:		
Grants to Institutions		
To Bath & Wells, Bristol and Gloucester Dioceses: £50,000 each	150,000	150,000
To Bath & Wells, Bristol and Gloucester Dioceses: £6,000 each for Further Education Officers	18,000	18,000
0 corporate grant (2020 – 1) of less than £1,000	-	500
4 corporate grants (2020 – 3) of £1,000 or more	8,900	10,500
	176,900	179,000
Grants to Individuals		
21 personal grants (2020 – 17) of less than £1,000	11,800	9,300
36 personal grants (2020 – 43) of £1,000 or more	48,270	51,456
5 scholarship grants (2020 – 5) of £1,000 or more	45,000	40,000
Scholars' travel	-	237
Previous year grants not taken up	(551)	(3,258)
	104,519	97,735
	281,419	276,735

Notes to the accounts
For the year ended 31 December 2021 (cont)

7 Grants (continued)

All grants awarded relate to the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year

Mr E Gregory	Diocese of Bath & Wells	Diocesan Director of Education
Miss S Kindleysides	Diocese of Bath & Wells	Chief Executive (to 15 June 2021)
Mrs P Dodds	Diocese of Bath & Wells	Diocesan Schools Advisor
Mrs E Townend	Diocese of Bristol	Diocesan Director of Education
The Revd Dr S Taylor	Diocese of Bristol	Director of Ministry Development
The Rt Revd R Springett Bishop of Tewkesbury	Diocese of Gloucester	Bishop of Tewkesbury
Mrs J Ridgway	Diocese of Gloucester	Head of Finance
Miss J Munn	Diocese of Gloucester	Deputy Director of Education

8 Support costs

	2021 £	2020 £
Management charge – administering the Foundation	21,747	21,659
Management charge – governance	7,249	7,220
Trustees' travel and catering	-	356
Audit and accountancy	4,200	3,466
Bank charges	8	34
Professional fees	5,967	5,225
Sundry expenses	253	180
	39,424	38,140

Governance costs included in the above amounted to £39,163, this includes, £28,996 for administration, £4,200 for audit and £5,967 for accountancy services. In the prior year, governance costs amounted to £37,570, this included £28,879 for administration, £3,466 for audit and £5,225 for accountancy services.

9 Movement in CBF Investments

	£	£
Market value brought forward at 1 January	4,760,007	4,397,517
Add additions at cost	3,526,500	-
Less disposals at carrying value	(50,000)	(71,000)
Add net gain on revaluation	1,131,248	433,490
Market value carried forward at 31 December	9,367,755	4,760,007

Investments – CBF Funds comprise

	£	£
CBF Investment Fund	7,858,352	3,460,848
CBF Global Equity Fund	1,509,403	1,299,159
	9,367,755	4,760,007

10 Movement in Investec Wealth Investments

	2021	2020
	£	£
Market value brought forward at 1 January	456,713	3,616,987
Add additions at cost	-	534,628
Less disposals at carrying value	(454,613)	(3,614,026)
Add net (loss) / gain on disposal	(2,100)	(80,876)
Market value carried forward at 31 December	-	456,713

Investments – Investec Wealth comprise

	£	£
UK Fixed Interest	-	-
UK Equities	-	-
Overseas Equities	-	-
Property	-	456,713
Infrastructures	-	-
	-	456,713

11 Debtors

	2021	2020
	£	£
Investment income awaiting payment	-	22,893

12 Cash at Bank

	2021	2020
	£	£
Investec Wealth	-	3,071,887
NatWest Bank	14,600	24,177
	14,600	3,096,064

The balance held at Investec Wealth at the year ending 31 December 2020 relates to funds from investments sold and pending transfer to the CCLA portfolio.

13 Grants awarded not yet paid

	2021	2020
	£	£
Corporate and Personal grants	8,500	2,675
Scholars	21,500	12,000
	30,000	14,675

14 Creditors

	2021	2020
	£	£
Investment Management costs	-	-
Recharged Expenses	-	115
Audit Fees	4,200	3,466
	4,200	3,581

15 Commitments

	2021	2020
	£	£
The scholarship awards, subject to satisfactory review, will be paid as follows:		
Within one year:		
one term of academic year 2022/23	16,500	12,000
Beyond one year:		
two terms of academic year 2022/23	8,500	18,000
academic year 2023/24	15,000	20,000
	23,500	38,000

16 The Funds of the Charity

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to either the General Fund or the Permanent Endowment Fund. At the end of each financial year a transfer is made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees can decide the whether the remaining balance on the fund can be carried forward if not needed or allocated to be spent as income or reinvested in the Permanent Endowment Fund in a particular year.

For the year ended 31 December 2021, £320,843 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve. The value of the remainder of the Permanent Endowment was preserved by a transfer of £360,613 from the Unapplied Total Return to the Fund for Investment.

	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2021	6,678,016	1,639,405	8,317,421
Investment return: dividends and interest	-	222,429	222,429
Investment management costs	-	-	-
Investment return:			
Gains on investment	-	1,129,148	1,129,148
Recoupment of trust for investment	360,613	(360,613)	-
Unapplied total return allocated to income in the reporting period	-	(320,843)	(320,843)
As at 31 December 2021	**7,038,629**	**2,309,526**	**9,348,155**

Comparative Figures

	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2020	6,638,187	1,429,577	8,067,764
Investment return: dividends and interest	-	233,849	233,849
Investment management costs	-	(21,923)	(21,923)
Investment return:			
Gains on investment	-	352,606	352,606
Recoupment of trust for investment	39,829	(39,829)	-
Unapplied total return allocated to income in the reporting period	-	(314,875)	(314,875)
As at 31 December 2020	**6,678,016**	**1,639,405**	**8,317,421**

Represented by

	2021 £	2020 £
CBF Funds	9,367,755	4,760,007
Investec Wealth	-	456,713
Other net current assets	(19,600)	3,100,701
	9,348,155	8,317,421

16 The Funds of the Charity

Of the balance on the permanent endowment reserve at 31 December 2021, £4,154,463 (2020 £3,949,293) represented the difference between the market value at that date and the cost of the investments presently held.

The fund of the Charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of subsequent sales of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment at 31 December 2021 reflects the gain in the value of the investments since then using CPI as a point of reference.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the year end.

THE FOUNDATION OF SAINT MATTHIAS

England & Wales - Charity number 311696

Accounts



THE FOUNDATION OF ST MATTHIAS

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2020

Registered Charity No 311696

THE FOUNDATION OF ST MATTHIAS

REPORT OF THE TRUSTEES
For the year ended 31 December 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Objective and Activities

Objective

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

Grant-Making Policy

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 11 November 2015. The Trustees have a Projects Committee which examines applications in light of these criteria, and make grants to suitable applicants. In November 2015, the Trustees approved a scheme for the awarding of 3-year scholarships and the first of these awards was agreed upon in early 2016, with initial payments being made at the start of the 2016/17 academic year. The Trustees have been pleased with this initial group of scholars and have agreed to extend scholarships into their normal grant-making procedures.

Public Benefit

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

Covid-19

In mid-late March 2020 the Covid-19 pandemic started to impact activities. The Trustees reviewed the likely impact of the pandemic on the Foundation and identified the following key areas for attention, implementing the changes as detailed:

- Meeting in person
  An Emergency Resolution was approved in April 2020 to allow meetings to be held remotely using digital media until such time as the Trustees can meet in person.
- Handling physical grant applications
  Normal deadlines were retained for applications. However, the process for receiving applications was adapted so as to be able to receive applications by email.
- Processing financial transactions
  An Emergency Resolution was approved in April 2020 allowing payments to be processed by electronic bank transfer, subject to email authorisation by two signatory trustees using their existing email accounts until such time as the Trustees can meet in person.
- Investments and reserves
  Additional meetings of the FARM Committee were held in May and August to monitor the impact on finances on the reserves of the Foundation. It was agreed that a more conservative approach was required to maintain a level of reserves to sustain the Foundation for the future. Consequently, the offer of additional funding made to the Diocese in March was withdrawn, along with a reduction in funding for grants of £30,000.

Achievement and Performance (Review of performance in 2020)

In March 2020 the Trustees reviewed the level of reserves and concluded that an additional £30,000 could be awarded in support of the work of the Diocese, subject to receipt of a suitable application. However, as noted above, the impact of Covid-19 on investment performance led to a reduction in grant funding made available.

During the calendar year 2020 the Trustees considered 76 applications in total. They considered 70 applications for individual grants; including 18 requests for further funding, of which 60 were awarded. Of these, 43 grants were of £1,000 or more, the remainder ranging from £500 to £800. Again, the majority of studies covered theology, social work and counselling, but assistance was also given for other courses which fell within the terms of the Trust deed and which the Trustees considered to be deserving of support. 9 were not awarded a grant (including 2 withdrawals before consideration) and 1 was deferred to March 2021, pending further information.

6 corporate applications were also considered; including 1 request for further funding. Of these 6 applications, 4 were awarded grants ranging from £500 to £5,000; 2 were not awarded.

Grants of £50,000 to each of the three Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan resource centres, providing in-service training and training resources for teachers.

Grants totalling £18,000 were also made to the three Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

Scholarships for the 2020/2021 academic year:

Payment continued for 2 scholars:

Niamh Colbrook: £10,000 for her PhD – Theology and Religious Studies at Cambridge University.

Christie Broom: £10,000 for her PhD in the Divinity Faculty at Cambridge University.

Payments started in September 2020 for 2 new scholars:

Szilvi Watson: £10,000 for the up to 3 academic years for her DPhil in Education at the University of Oxford

Oliver Peel: £10,000 for up to 3 academic years for his PhD at King's College London

Scholars are invited to present at the Trustees meeting and renewal of the scholarships for the next academic year is subject to receiving satisfactory reports.

During the year, the following student completed his studies supported by a scholarship that was awarded during the year ended 31 December 2019:

John Moon - PhD in Theology at Durham University.

The total of grants awarded in 2020 is shown in Note 7 on pages 14 and 15.

Financial Review (Financial Review of the Foundation)

The Balance Sheet on page 11 shows the financial position of the Foundation as at 31 December 2020, in accordance with the accounting policies outlined in the notes to the accounts.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. The Trustees adopted the Total Return Investment approach with effect from 1 January 2018. As a consequence, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year

In 2014, the investments of the Foundation were split 50:50 between two investment portfolios; CBF Church of England Funds, managed by CCLA Investment Management Ltd, and Investec Wealth & Investment Ltd. The Trustees receive quarterly reports from the investment managers and conduct an annual performance review meeting. During the year the FARM Committee continued to scrutinise the performance of the investment portfolios through the Covid-19 pandemic and concluded that the CCLA model more closely matched the needs of the Foundation. As a consequence, in November 2020 instructions were issued to transfer the whole portfolio into the management of CCLA. At the year-end the majority of the funds were held in the Investec Capital Account, pending transfer to CCLA.

The investments in CBF Funds increased in value during 2020, with the total portfolio increasing by 8.2%, after allowing for withdrawal of £71,000 from the Income Reserve account to fund activities.

The Investec portfolio showed a decrease in value of 0.87% between December 2019 and 2020.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England, and revised by them from time to time. The guidelines were also used by Investec in their purchases on behalf of the Foundation.

Reserves policy

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £8.32 million at 31 December 2020, including £1.63 million in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned.

Plans for Future Periods

In November 2020 the Trustees met and considered the Budget for 2021 and provisionally agreed that expenditure should broadly be in line with actual expenditure for 2020, as follows:

- Diocesan Allocations £50,000 (per diocese);
- FE £6,000 (per diocese); and
- Grants and scholarship budget £120,000.

It was agreed that the budget would be formally confirmed at the first meeting of the Trustees in 2021.

Structure, Governance and Management

Constitution of the Foundation

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds form the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. In November 2015, the Trustees agreed to reduce the number needed to be present for a meeting to be quorate; this amendment has been approved by the Charity Commission.

Trustees' responsibilities

The Trustees, who are appointed in accordance with the Trust deed (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and an Audit Committee. During the year the Trustees reviewed the function and remit of the Audit Committee and agreed that it should be re-named the Finance, Audit and Risk Management (FARM) Committee to more appropriately reflect its function. Some powers are delegated to committees; the Projects Committee, within budgetary constraints agreed by the Trustees, are (since March 2014) able to award grants and scholarships to applicants; recommendations of the FARM Committee are ratified by the Trustees. The Projects Committee alone also meets in July.

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming and outgoing resources of the Trust for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Trust will continue to exist.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets

of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charity Governance Code: In March 2020, the Trustees agreed to review one principle at each future meeting. Accordingly, first principle “Organisation purpose” was reviewed at the November 2020 meeting.

Recruitment and induction of Trustees

Recruitment for the Trust is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and the National Society (previously the Board of Education of the Archbishops’ Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition the Trustees have the option to co-opt three Trustees.

New Trustees are given a copy of the Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Trust, objects of the Trust, structure of the Trust including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their trusteeship. In November 2015, Trustees were given options to undertake further training.

Connected Charity

The Trust has no employees. Under previous arrangements (ending 1 December 2014) the Clerk to the Trustees was an employee of the Bristol Diocesan Board of Finance (the BDBF), registered charity number 248502, whose registered office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU. With effect from 11 March 2015, the Trustees appointed the BDBF as Clerk.

The Foundation's affairs are administered by the Saint Matthias Administrator (an employee of the BDBF), for which the Foundation paid a fee of £28,879 in 2020, (2019 - £27,539). With effect from July 2019 the BDBF has also provided accountancy services to the Foundation for a fee of £4,785 in 2020 (2019 - £1,920).

The majority of the Trustees are nominated or co-opted from the three benefiting Dioceses.

Risk Assessment

The Trustees operate a risk management policy and, as part of an annual review process, make appropriate amendments to the risk register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation’s assets, are closely followed. The most significant risk is the decline in Total Return. The Trustees have ensured that reputable managers have been appointed to manage the investments that make up the permanent endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports. As noted under the Financial Review, in November 2020, the Trustees decided to consolidate their holdings with CCLA

In March 2020 the Trustees were notified of a potential claim regarding the possibility of an asbestos-related disease in connection with the former St Matthias College building. The information had been forwarded to Ecclesiastical, the then Insurer, who have confirmed that the allegations are being investigated. The matter was reported to the Charity Commission as a Serious Incident Report 7th July 2020, as a matter of good governance. The Charity Commission acknowledged receipt on 10th July (incident number 6349).

Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

Key management personnel remuneration

The Foundation has no employees and no cost of remuneration.

The Trustees are the key management personnel of the charity, in charge of directing and controlling the charity. As noted above, an employee of the BDBF has responsibility for the day-to-day running of the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

Trustees

The Trustees who served during the period from 1 January 2020 to the date this report was approved were as follows:

	Name	*Nominator*	*Dates if part year:*
Chair:			
	The Rt Revd R Springett Bishop of Tewkesbury	Bishop of Gloucester	
Nominated:			
	Mr E Gregory	Bath & Wells DBE	
	Mr N May	Bath & Wells DBE	To 31 August 2020
	Miss S Kindleysides	Bath & Wells DBE	From 17 November 2020
	Mrs P Dodds	Bath & Wells DBE	
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Mrs J Ridgway	Gloucester DBE	From 1 January 2020
	Mrs B Gleich	Gloucester DBE	
	Miss J Munn	Gloucester DBE	From 1 January 2020
	Revd J Shellard-James	Bishop of Bath & Wells	
	Revd Dr S Taylor	Bishop of Bristol	From 1 January 2020
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
Co-opted:	Miss K Owen-Jones	-	

Officers and advisers of the Foundation

Clerk to the Trustees	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Accountant	Bristol Diocesan Board of Finance Limited Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	Burton Sweet The Clock Tower, Farleigh Court, Old Weston Road, Flax Bourton, Bristol, BS48 1UR
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET Investec Wealth & Investment Limited 30 Gresham Street, London, EC2V 7QN
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF

This report was approved by the Trustees on 16 March 2021 and signed on its behalf by

The Rt Revd R Springett, Bishop of Tewkesbury, Chair
16 March 2021

THE FOUNDATION OF ST MATTHIAS

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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).

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of the Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes or our audit.

Responsibilities to the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (Cont'd)

In common with all audits under ISA's (UK) we performed specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework in which the Charity operates, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.
As a result of performing the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims
- performing analytical procedures to identify and unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- reading minutes of meetings of those charged with governance
- reviewing grant documentation and recognition in the financial statements to assess compliance with provisions of the Charities Act 2011
- reviewing valuations of investments, including a review of the investment valuation report and assessment of the internal controls in place
- in addressing the risk of risk fraud through management override of controls, testing the appropriateness of journal entries and evaluating any significant transactions that are unusual or outside the normal course of business

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

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Burton Sweet
Chartered Accountants and Statutory Auditor

Date: 16 March 2021

THE FOUNDATION OF ST MATTHIAS

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2020

	Note	2020 Income Reserve Unrest'd £	2020 Perm't Endow't Rest'd £	2020 Total Funds £	2019 *Income Reserve Unrest'd* £	2019 *Perm't Endow't Rest'd* £	2019 *Total Funds* £
Income and Endowments							
Investment Income	3	-	233,849	233,849	-	295,302	295,302
Total Income		-	233,849	233,849	-	295,302	295,302
Expenditure							
Cost of Raising Funds							
Investment Management Costs		-	21,923	21,923	-	24,198	24,198
Expenditure on Charitable Activities	6	314,875	-	314,875	320,297	-	320,297
Total Expenditure		314,875	21,923	336,798	320,297	24,198	344,495
Net Gains on Investments		-	352,606	352,606	-	1,037,244	1,037,244
Net Income / (Expenditure)		(314,875)	564,532	249,657	(320,297)	1,308,348	988,051
Transfers between funds		314,875	(314,875)	-	320,297	(320,297)	-
Net movement in funds		-	249,657	249,657	-	988,051	988,051
Total funds brought forward at 1 January		-	8,067,764	8,067,764	-	7,079,713	7,079,713
Total funds carried forward at 31 December		-	8,317,421	8,317,421	-	8,067,764	8,067,764

All activities relate to continuing operations.

THE FOUNDATION OF ST MATTHIAS

BALANCE SHEET
As at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed Assets					
Investments					
CBF Funds	9		4,760,007		4,397,517
Investec Wealth	10		456,713		3,616,988
			5,216,720		8,014,505
Current Assets					
Debtors					
– amounts falling due within one year	11	22,893		34,548	
Cash at bank	12	3,096,064		41,349	
		3,118,957		75,897	
Current liabilities					
Grants awarded not paid	13	14,675		13,115	
Creditors					
– amounts falling due within one year	14	3,581		9,523	
		18,256		22,638	
Net current assets			3,100,701		53,259
Net assets			8,317,421		8,067,764
Funds of the Charity					
Permanent endowment funds	16		6,678,016		6,638,187
Unapplied total return fund	16		1,639,405		1,429,577
Unrestricted fund – income reserve	16		-		-
			8,317,421		8,067,764

These accounts were approved and authorised for issue by the Trustees on 16 March 2021.

The Rt Revd R Springett Bishop of Tewkesbury, Chair

This Balance Sheet should be read in conjunction with the Notes to the Accounts on pages 12 to 18.
The Auditor's Report is on pages 7 to 9.

Notes to the accounts
For the year ended 31 December 2020

1 Accounting policies

(a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2020. The financial statements have been presented in Pounds Sterling as this is the functional currency of the charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the charity. The principal activity of the charity continued to be the advancement of education contributing to the advancement of the Church of England.

(b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

(c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value), in accordance with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and applicable accounting standards (FRS102).

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

The Trustees have considered the implications of the Covid-19 pandemic in assessing the Charity's ability to continue as a going concern. Please see the Trustees Report for further details. The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

(d) Fund accounting

The nature and purpose of each fund are explained in note 16.

(e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CBF pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

Investec receives interest and dividends when paid in respect of investments held, and pays these over at the end of each calendar quarter. Interest from fixed interest investments earned but not paid at the year-end is accounted for as due.

(g) Expenditure

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.

(h) Investment Management costs

Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments. Investments managed by Investec are, however, subject to a management cost, which is charged to the Unapplied Total Return in the year to which the cost relates.

(i) Grants

All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year course of study, further years' awards are conditional on the receipt of a satisfactory report from each student and are therefore not accrued for beyond the end of the academic year.

(j) Support Costs

As noted in the Trustees' Report, the Foundation's affairs are administered by the Saint Matthias Administrator, an employee of the Bristol Diocesan Board of Finance. It is estimated that 75% of the fee represents the day-to-day administration and the remaining 25% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the charity. Also charged to governance are audit, trustees' meeting and travel costs and the costs of any professional advice received regarding the constitutional matters of the charity.

(k) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Gains and Losses on investments

Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2020.

(m) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.

Cash held for the purchase of further investments by Investec is included with other Cash at Bank.

(n) Areas of judgement

The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key area of judgement is whether scholarship grants should be accrued for at year end. Where these are conditional, they have been disclosed as a commitment in note 15 and only accrued for once the conditions have been met.

Notes to the accounts
For the year ended 31 December 2020 (cont)

2 Trustees' remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and other out of pocket expenses are reimbursed as necessary, and these amounted to £122 paid to 2 Trustees in 2020 (2019 - £1,083 paid to 3 Trustees).

3 Investment income	2020 £	2019 £
CBF Funds Dividends	134,002	143,956
Investec Interest & Dividends	99,766	151,148
Investec Deposit Fund Interest	21	20
Bank Interest	60	178
	233,849	295,302

4 Staff Costs

The charity has no employees and therefore has incurred no staff costs.

5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the charity. Grants awarded to the Dioceses are shown in Note 7. The Diocese of Bristol (the Bristol Diocesan Board of Finance Limited) is the Clerk to the Foundation and was paid £28,879 (2019 £27,539) for the management of the Foundation. From 01 July 2019, the Bristol Diocesan Board of Finance Limited took on the role of accountant to the Foundation for a fee of £4,785 in 2020 (2019 - £1,920). There were no outstanding amounts at year end.

6 Expenditure on Charitable Activities	2020 £	2019 £
Grants (note 7)	276,735	283,659
Support Costs (note 8)	38,140	36,637
	314,875	320,296

7 Grants	2020 £	2019 £
In 2020 the Trustees made the following grants:		
Grants to Institutions		
To Bath & Wells, Bristol and Gloucester Dioceses: £50,000 each	150,000	150,000
To Bath & Wells, Bristol and Gloucester Dioceses: £6,000 each for Further Education Officers	18,000	18,000
1 corporate grant (2020 – 0) of less than £1,000	500	-
3 corporate grants (2019 – 4) of £1,000 or more	10,500	21,410
	179,000	189,410
Grants to Individuals		
17 personal grants (2019 – 22) of less than £1,000	9,300	11,410
43 personal grants (2019 – 33) of £1,000 or more	51,456	65,730
5 scholarship grants (2019 – 7) of £1,000 or more	40,000	17,000
Scholars' travel	237	584
Previous year grants not taken up	(3,258)	(475)
	97,735	94,249
	276,735	283,659

7 Grants (continued)

All grants awarded relate to the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year

Mr E Gregory	Diocese of Bath & Wells	Diocesan Director of Education
Mr N May	Diocese of Bath & Wells	Diocesan Secretary (to 31 August 2020)
Miss S Kindleysides	Diocese of Bath & Wells	Chief Executive (from 17 November 2020)
Mrs P Dodds	Diocese of Bath & Wells	Diocesan Schools Advisor
Mrs E Townend	Diocese of Bristol	Diocesan Director of Education
The Revd Dr S Taylor	Diocese of Bristol	Director of Ministry Development
The Rt Revd R Springett Bishop of Tewkesbury	Diocese of Gloucester	Bishop of Tewkesbury
Mrs J Ridgway	Diocese of Gloucester	Head of Finance
Miss J Munn	Diocese of Gloucester	Deputy Director of Education

8 Support costs	**2020** £	*2019* £
Management charge – administering the Foundation	21,659	20,654
Management charge – governance	7,220	6,885
Trustees' travel and catering	356	2,241
Audit and accountancy	3,466	3,308
Bank charges	34	89
Professional fees	5,225	3,460
Sundry expenses	180	-
	38,140	36,637

Governance costs included in the above amounted to £37,570, this includes, £28,879 for administration, £3,466 for audit and £5,225 for accountancy services. In the prior year, governance costs amounted to £34,307, this included £27,539 for administration, £3,308 for audit and £3,460 for accountancy services.

9 Movement in CBF Investments	£	£
Market value brought forward at 1 January	4,397,517	3,771,760
Add additions at cost	-	532,521
Less disposals at carrying value	(71,000)	(440,246)
Add net gain on revaluation	433,490	533,482
Market value carried forward at 31 December	4,760,007	4,397,517

Investments – CBF Funds comprise	£	£
CBF Investment Fund	3,460,848	3,306,139
CBF Global Equity Fund	1,299,159	1,091,378
	4,760,007	4,397,517

Notes to the accounts
For the year ended 31 December 2020 (cont)

10 Movement in Investec Wealth Investments	2020 £	2019 £
Market value brought forward at 1 January	3,616,987	3,249,946
Add additions at cost	534,628	167,943
Less disposals at carrying value	(3,614,026)	(191,297)
Add net (loss) / gain on revaluation	(80,876)	390,395
Market value carried forward at 31 December	456,713	3,616,987

Investments – Investec Wealth comprise	£	£
UK Fixed Interest	-	191,910
UK Equities	-	1,971,945
Overseas Equities	-	543,565
Property	456,713	624,147
Infrastructures	-	285,420
	456,713	3,616,987

11 Debtors	2020 £	2019 £
Investment income awaiting payment	22,893	34,548

12 Cash at Bank	2020 £	2019 £
Investec Wealth	3,071,887	20,642
NatWest Bank	24,177	20,707
	3,096,064	41,349

The balance held at Investec Wealth at the year end relates to funds from investments sold and pending transfer to the CCLA portfolio.

13 Grants awarded not yet paid	2020 £	2019 £
Corporate and Personal grants	2,675	7,615
Scholars	12,000	5,500
	14,675	13,115

14 Creditors	2020 £	2019 £
Investment Management costs	-	6,223
Recharged Expenses	115	-
Audit Fees	3,466	3,300
	3,581	9,523

15 Commitments	2020 £	2019 £
The scholarship awards, subject to satisfactory review, will be paid as follows:		
Within one year:		
one term of academic year 2021/22	12,000	8,000
Beyond one year:		
two terms of academic year 2021/22	18,000	12,000
academic year 2022/23	20,000	-
	38,000	12,000

16 The Funds of the Charity

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to either the General Fund or the Permanent Endowment Fund. At the end of each financial year a transfer is made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees can decide the whether the remaining balance on the fund can be carried forward if not needed or allocated to be spent as income or reinvested in the Permanent Endowment Fund in a particular year.

For the year ended 31 December 2020, £314,875 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve. The value of the remainder of the Permanent Endowment was preserved by a transfer of £39,829 from the Unapplied Total Return to the Trust for Investment.

	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2020	6,638,187	1,429,577	8,067,764
Investment return: dividends and interest	-	233,849	233,849
Investment management costs	-	(21,923)	(21,923)
Investment return:			
Gains on investment	-	352,606	352,606
Recoupment of trust for investment	39,829	(39,829)	-
Unapplied total return allocated to income in the reporting period	-	(314,875)	(314,875)
As at 31 December 2020	**6,678,016**	**1,639,405**	**8,317,421**

Comparative Figures	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2019	6,552,998	526,715	7,079,713
Investment return: dividends and interest	-	295,302	295,302
Investment management costs	-	(24,198)	(24,198)
Investment return:			
Gains on investment	-	1,037,244	1,037,244
Recoupment of trust for investment	85,189	(85,189)	-
Unapplied total return allocated to income in the reporting period	-	(320,297)	(320,297)
As at 31 December 2019	**6,638,187**	**1,429,577**	**8,067,764**

	2020 £	*2019 £*
Represented by		
CBF Funds	4,760,007	4,397,517
Investec Wealth	456,713	3,616,987
Other net current assets	3,100,701	53,252
	8,317,421	8,067,764

16 The Funds of the Charity

Of the balance on the permanent endowment reserve at 31 December 2020, £3,949,293 (2019 £3,293,100) represented the difference between the market value at that date and the cost of the investments presently held.

The fund of the charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of subsequent sales of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment at 31 December 2020 reflects the gain in the value of the investments since then using CPI as a point of reference.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the year end.