

COLEG Y BEDYDDWYR CAERDYDD / CARDIFF BAPTIST COLLEGE

England & Wales · Charity number 525777

Details

Other names	SOUTH WALES BAPTIST COLLEGE, Cardiff Baptist College, Coleg y Bedyddwyr Caerdydd
Status	Registered
Legal form	Other
Registered	1967-02-02
Register	View on the Charity Commission register

Contact

Address	South Wales Baptist College 54 Richmond Road Cardiff CF24 3UR
Phone	02920256066
Email	admin@swbc.org.uk
Website	www.swbc.org.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE:1) THE ADVANCEMENT OF THE CHRISTIAN RELIGION IN ACCORDANCE WITH THE BELIEFS AND PRACTICES OF BAPTISTS AND THE INTERPRETATION OF SUCH BELIEFS AND PRACTICES AND, IN PARTICULAR, THE TRAINING OF STUDENTS FOR MINISTRY AMONGST THE BAPTIST CHURCHES, AND2) TO PROVIDE EDUCATION, TRAINING, VOCATIONAL PREPARATION AND SUPPORT FOR CHRISTIANS FOR MISSION AND MINISTRY

Activities: The advancement of the Christian Religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices and in particular the training of students for ministry amongst the Baptist churches. To provide education, training, vocational preparation and support to Christians for mission and ministry.

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space
- **What:** Education/training, Accommodation/housing, Religious Activities
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£707,996	£624,125	£2,881,410	11
2023-08-31	£628,929	£619,858	£2,647,718	10
2022-08-31	£575,846	£433,718	£2,643,586	8
2021-08-31	£429,787	£384,742	-	-
2020-08-31	£421,170	£460,218	-	-

Trustees

Name	Role	Appointed
Rev Sarah Louise Butt	Chair	2023-01-31
Caren Fullerton		2019-01-14
Cedric Longville		2019-01-14
Rev DENZIL IEUAN JOHN		2011-04-19
Rev EDWARD NOBLE KANEEN		2025-01-01
Rev Emma Franks		2019-10-01
Rev TIMOTHY IAN MOODY		2021-04-19

Linked charities

- W B THOMAS (BERTHLWYD) MEMORIAL PRIZE FUND (525777-1)
- THE PRINCIPAL JOHN GRIFFITHS MEMORIAL PRIZE IN NEW TESTAMENT GREEK (525777-2)
- THE THOMAS PHILLIPS PRIZE FOUNDATION (525777-3)
- T H THOMAS TRUST SCHOLARSHIP (525777-4)

COLEG Y BEDYDDWYR CAERDYDD / CARDIFF BAPTIST COLLEGE

England & Wales - Charity number 525777

Accounts

Charity registration number 525777

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

Chair's Report

This has been a good year for the College. Faithfulness in focussing on our primary function of formation training is evident across the whole staffing structure and our thanks go to all those who have served and continue to serve the College as Co-Principals, Tutors, Administration and Support Staff or Volunteers. Indeed, decisions taken this year, and new partnerships which will come to fruition during the next financial year, evidence future positive developments in the life of the College as we seek to expand our ministry and enhance our reputation as an essential provider of ministerial formation for folk throughout Wales and beyond.

The financial report once again shows the challenges facing the College as a result of rising costs, salaries and lower fee income. As always, we are profoundly grateful for the faith, foresight and generosity of those who came before us – their legacies of buildings and gifts have once again supported us financially through this year. Our thanks also go to all those churches, individuals and organisations that continue to support us financially today. Their support is a vital part of sustaining the life and work of the College as we look forward. We also give thanks that this year saw the initial fruits of our new partnerships with other denominations and grant funding bodies.

Sarah Butt
Chairperson
24 June 2025

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their report and financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

Cardiff Baptist College is a faith - based formational community that has been preparing men and women for Ministry in all spheres of life since 1807.

The Objectives of the College are:

1. the advancement of the Christian religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices and, in particular, the training of students for ministry amongst the Baptist churches; and
2. to provide education, training, vocational preparation and support for Christians for mission and ministry.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The College's Charitable purpose is enshrined in its objectives listed above. The Charity delivers its public benefit through its work with a wide variety of public organisations.

Achievements and Performance

It is worth beginning by reflecting on the very good outcome of the Peer Review of the College carried out in April 2024 by a team of colleagues from other Baptist colleges and Baptist organisations. This was the first review since 2017. The overall findings gave Trustees very positive feedback on the College's caring ethos and rich community life, as well as our strengths in teaching, high standards in our approach to formation, and growing links with other non-conformist denominations. In terms of the core work of the College the review team mostly suggested that the College continue with current work and practices. More specific recommendations on improving building accessibility and increasing resources to support policy development and bilingualism will be taken forward in 2024-25. Recommendations on the College's partnership with Cardiff University have been overtaken by planned changes at the University.

On partnerships, we were delighted to establish a new partnership with the International Baptist Theological Seminary in Amsterdam. The first of our students participated in the Learning Networks this year in Rome and was very enthusiastic about the experience. We have also been collaborating even more with the wider body of Christ. We have strengthened our links with South Wales Baptist Association and the Baptist Union of Wales, and they have been part of our consultation process as we plan to reform our teaching programme from September 2024. The new programme should offer even greater flexibility to those who need to train alongside keeping full time employment, while providing a separate, more in-depth path, to those who are able to attend weekly lectures at Cardiff University. At the heart of this reform is our passion for forming mature disciples of Christ in a community of learning. We continue to work closely with the Presbyterian Church of Wales and are in discussions about delivering some bespoke training for them, and we are also working with the Baptist Union of Wales to consider developing a pioneering stream.

In Spring 2024 we were delighted to hear that the College had been awarded a prestigious grant as part of the Equipping Christian Leadership in the Age of Science project (ECLAS). The funding, which runs for a couple of years, will support the College develop new programmes which incorporate scientific topics into the curriculum.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

We have been working on a Welsh language strategy for the College and have begun preliminary conversations with the non-Conformist Welsh language denominations of Wales. Our plan is to extend the range of our provision in the Welsh language. We have developed a new public-facing website in Welsh and English which is already bearing fruit in drawing enquiries to the College.

Alongside its work with ministerial students the College also offers an access-level course, Pathways, which is designed for local church leaders and members. It is overseen by Associate Tutor, the Revd Jon Davis, and it is good to report that the numbers of people participating in the Pathways course have continued to grow during the last year. As Pathways grows, we have started to plan for an extension to the Pathways programme, Pathways Plus with a view to starting this alongside the new BTh programme in September 2024.

Another Associate Tutor, the Revd Nick Bradshaw, has provided valuable service this year in overseeing the learning contracts which the College provides for Newly Accredited Baptist Ministers.

In addition to those who have joined the Pathways programme, we were pleased to have welcomed 8 students to join us, while sending a further 6 students on into ministry.

Students from the College have continued to serve churches across Wales in preaching, pastoral and missional tasks; and in addition to the total provision of College facilities, students are supported by individual bursaries where appropriate. College staff have been involved in serving local churches through ministry and preaching, as well as serving on committees of the Baptist Unions and academic groups. The Revd Dr Rosa Hunt and the Revd Dr Craig Gardiner have served the nation through broadcasting Christian programmes on BBC Radio Wales and Radio Cymru, and BBC Radio 2 and Radio 4. The College was delighted to participate very actively in the National Eisteddfod in Pontypridd in August 2024, and proud to see Revd Dr Rosa Hunt become part of the Gorsedd.

During this past year, the College's permanent teaching staff, the Revd Dr Rosa Hunt, the Revd Dr Ed Kaneen, the Revd Dr Craig Gardiner, the Revd Dr Stephen Roberts, the Revd Dr Helen Dare and Mr Richard Weaver have provided teaching and pastoral support to students at the College preparing for various forms of ministry. Reflecting the award of the grant from ECLAS towards the end of the year we were pleased to be able extend Richard Weaver's contracted hours. We were also pleased to welcome Jon Davis as a part-time permanent member of staff at the same time.

At the very end of the year our Co-Principal Revd Dr Rosa Hunt gave notice that she wished to step down as Co-Principal and permanent member of staff at the end of 2024, to become full-time Pastor at her Church. We are so grateful for her contribution over the last 5 years and will reflect on this in our next report as Trustees. We are delighted that Rosa will still form a crucial part of the College community as an associate tutor and pastoral group leader.

Teaching staff have continued to serve as Honorary Lecturers at Cardiff University; a role which involves delivering a range of undergraduate and postgraduate modules for both College and University students. The College's tutors make a significant contribution to the work of Cardiff University by teaching students on the BA in Religion and Theology; and they enjoy positive working relationships with colleagues in the Department of Religion and Theology. Both the Revd Dr Ed Kaneen and the Revd Dr Stephen Roberts represent the College on the various Boards of Studies and other committees. Ed has also joined the Management Board of Cardiff University's Centre for the Study of Islam.

While the challenges facing Cardiff University's funding, and the impact on the College weren't fully understood until January 2025, it is worth reflecting here that the College became aware of potential threats to our long-term partnership at the very start of the 2024-25 academic year. As a result, we began developing options for new partnerships to support the accreditation of courses in the future.

The College hosts three significant annual public lectures. The annual Edwin Stephen Griffiths Lecture, 'Defending Democracy from its Christian Enemies' was delivered this year by Professor David Gushee of Mercer University in October 2023, and encouraged Christians to think deeply about why they should actively support democracy.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

In March 2024 the College hosted its annual Whitley Lecture “Dark Weeping and Light Sleeping: Whiteness as a Doctrine of De-Formation”, presented by Tim Judson of Regents Park College, in which he advocated an approach to theology that faces the inadvertent and invisible assumptions made by White people and White institutions. In 2024 the College was delighted to introduce a new series, the Rahel O Fôn lectures. The inaugural lecture in January 2024, ‘Memorialised in Washington DC: Forgotten in Wales - Rahel O Fôn, Evangelist[ess] to Wales and America in the 19th Century’ drew on the work of Richard and Felicity Cleaves and provided an illuminating introduction to the life of Rahel O Fôn herself. The event coincided with the opening of the College’s new Rahel O Fôn seminar space.

The College has continued to be provided with excellent support from Mrs Helen Ede, the College Manager, Ms Heather Lewis our Finance and Facilities Officer and Ms Holly Terrington, who covers academic administration, communications and website work in addition to her work as the College Librarian. All have worked hard to develop and run the College’s financial and academic systems and, working with our cleaners Ms Ceri-Ann Potton (until August 2024) and Mr Daes Suk Yang, have ensured that the College buildings and overall site are maintained to a high standard for all those who work and live here. Throughout the year the College’s residential hostel and wider office space were nearly fully occupied by tenants. Two major developments during the year were the creation of a new seminar space, the Rahel O Fon room, and preparations for the refurbishment of a space to accommodate a new collection of books, gifted by the Presbyterian Church of Wales and Baptist Union of Wales from the Coleg Gwyn in Bangor. We are truly grateful for the administration team’s contribution to supporting the smooth running and financial sustainability of the College as well as the community so positively commented on in the Peer Review.

Following the change of College name in 2021, and Trustees’ 2022 decision to change the College’s status from unincorporated charity to Charitable Incorporated Organisation, Trustees continued to plan for the transfer of assets to the new entity in September 2024, seeking external professional advice to support the process, particularly on pension implications. With the exception of the Co-Principal, who acts ex officio, all Trustees give their time voluntarily and receive no financial benefits from the College. The Trustee Board is served admirably well by a widely diverse and gifted group of individuals who freely give of their time and expertise to the role, and I am indebted to them for their willingness to serve on the Board.

Financial review

College expenditure during the year rose by less than 1 per cent and was very close to budget in all headline areas of expenditure other than student support. Following the previous year’s turbulence and unpredictability in the UK energy market for charities, expenditure on energy was a little higher than expected. However, the College was able to secure some more advantageous tariffs for energy supply mid-year which will stabilise costs going forward. In line with their pay policy for the College the Trustees followed the Baptist Union of Great Britain stipend recommendation and awarded a salary increase of 7.92 per cent for all staff from the beginning of the year.

Income increased by 12.6 per cent compared to the previous year. There were a number of factors behind this. Rental income increased, interest on account balances were higher, the College received new income from partnerships with other denominations and organisations and also received a significant donation from a church that had closed and sold their premises. These increases offset a reduction in the distribution to the College from the investments held by the Griffiths Trust compared to the previous year. Overall, the College reported an unrestricted surplus for the year of £79,354 before investment movement (2023 - £9,071) and a gain on its investment portfolio of £49,821 (2023 – a deficit of £4,939). In March 2025, the College commissioned a new valuation of its property. This valued the College’s properties on Richmond Road at £1,310,000, £100,000 higher than the previous valuation from 2017. The Trustees are satisfied that this new valuation reflects the value of the properties at 31 August 2024.

The Trustees will continue to manage the financial position of the College on a prudent basis and consider the College’s activities to be on a sound financial basis, whilst acknowledging the significant contribution made by rental incomes and the regular distribution from the ES Griffiths Trust Legacy to supporting the key charitable objectives of the College.

Reserves Policy

It is the policy of the Trustees to ensure that the College maintains sufficient free reserves to fulfil its obligations to those students to whom it has made training commitments at the date of the balance sheet. Based on the budget for the financial year, this would require free reserves amounting to the order of £500,000, making allowance for revenue that could be generated in that period.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The College has unrestricted reserves, excluding those held as tangible fixed assets, investment properties and endowment funds of £971,395 at 31 August 2024 (2023 - £828,041). This balance represents the Charity's free reserves. The College will continue to manage the College's financial affairs on a prudent basis, with the objective of maintaining the free reserves position.

Investment Policy

The Trustees have adopted a formal Investment Policy that defines both acceptable risk levels, and a medium term required rate of return. In 2023-24 the required rate of return was 5 per cent, whilst at least maintaining the long-term purchasing power of capital against longer term inflation pressures.

The Trustees noted that investment gains, including gains on investment properties, during the period totalled £149,821 (2023: loss £4,939) and investment portfolio income amounted to £11,853 (2023: £13,606). This resulted in an increase of £58,717 in the value of investments which totalled £534,198 (2023: £475,481).

The investments are managed within ethical guidelines set down by the Trustees. Within the investment strategy the investment managers have discretion over particular investments. Details of the investments are set out in the notes to the financial statement.

The Investment managers during this year were Brewin Dolphin.

The Charity also holds three investment properties which were valued after the end of the financial year in March 2025. The Trustees consider the market value at March 2025 reflects their fair value at 31 August 2024.

Risk Review

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The charity maintains a risk register and the Trustees regularly review the main strategic, business and operational risks which the charity faces. The Trustees have established systems and controls to mitigate against major risks to which the College is exposed. Any activity with a high residual risk is monitored and appropriate action implemented to bring within acceptable levels wherever possible. Other policies are also in place in relation to health and safety, governance and management.

Major risks

Under normal circumstances, the risks of the unincorporated charity are mitigated to an acceptable level in day-to-day operations. A financial risk assessment has been made, along with an organisational risk assessment in the College's approach to budget setting for future years. The Trustees consider their main risks are their relationship with key funders and stakeholders, maintaining healthy recruitment numbers, and managing the impact of inflation on College finances. The fixed agenda items on each Trustees' quarterly meeting – Co-Principals' Report, Students' Report (prepared and delivered by a student representative), and Financial Report address these risks.

Plans for future periods

- Developing medium and long-term plans for the College in the light of developments at Cardiff University which will see the College needing to find a new partner to accredit qualifications.
- Clarifying College leadership arrangements from the end of December 2024.
- Developing partnerships with other denominations further.
- Improving building fabric to support energy efficiency and accessibility to the upper floors.
- Completing the final transfer of assets to the Charitable Incorporated Organisation from September 2024, thereafter registering the College's property assets, and closing down the current unincorporated charity.
- Renewing the membership of the Board of Trustees .

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management

Constitution

The College was founded in 1807 and operates under a governing document which is the Charity Commission Scheme that came into effect on 28 October 2009. Cardiff Baptist College is currently registered as an unincorporated charity. Plans were in place throughout the year to transfer the assets of the unincorporated Charity to a Charitable Incorporated Organisation from the start of the next academic year in September 2024. This was achieved, with all assets and the staff of the College transferred to the CIO at the beginning of September.

The Board of Trustees

The Trustees exercise the powers of the charity in accordance with the Charity Commission Scheme.

Key management personnel remuneration and wider pay policy

Our key management personnel are the Trustees of the charity as detailed within this Trustees' report, and the Co-Principals of the College Revd Rosa Hunt and Revd Ed Kaneen along with the College Manager Mrs Helen Ede.

Setting pay and other remuneration is ultimately the responsibility of the Trustees, on the advice of the Officers of the College who comprise the Chair (Revd Mark Thomas), Co-Principals (Revd Rosa Hunt and Revd Ed Kaneen), the College Manager Mrs Helen Ede and Treasurer (Caren Fullerton). The Co-Principals do not participate either at officer or trustee level in decisions concerning their own remuneration.

Remuneration decisions are taken in the light of relevant benchmarks, including stipend levels set by the Baptist Union of Great Britain (BUGB), Cardiff University lecturer pay scales, the National Living Wage, and local conditions. For this year (as last year) the annual pay award was paid in September at the start of the academic (and financial) year. Compared to previous years this had reduced the time lag between the benchmark inflation figure used by BUGB and award date.

Governing Document

The College operates under the provisions of the Charity Commission Scheme. The trustees are responsible for the overall direction of the charity, and for ensuring that it acts in accordance with the provisions of the Trust Deed. They are supported by advisory groups addressing Finance, Buildings and Services, and Ministerial Selection.

Recruitment and Induction

Trustees are recruited with the aim of balancing the need for continuity, commitment, experience and people skills, along with a suitable blend of gender, age and geographical representation. A representative Trustee nomination group holds informal conversations with leaders of the various Baptist associations and unions which support the College. Trustees receive an induction into the work of the College by meeting the Chairman and Senior Staff and being advised of their general work, as well as receiving financial statements and other relevant documentation, including relevant Charity Commission publications. Training is provided as needed by appropriately skilled external trainers.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Reference and administrative details

Name

Cardiff Baptist College

Registered number

525777

Registered office

54 Richmond Road
Cardiff
CF24 3UR

Trustees

Revd Dr. Rosa Hunt (Co-Principal) - Resigned 31 December 2024

Revd Denzil John

Revd Sarah Butt - Acting Chair of the CIO from 1 January 2025

Caren Fullerton

Cedric Longville

Revd Mark Thomas (Chair) - Resigned 31 December 2024

Revd Emma Mohr

Revd Timothy Moody

Revd Dr. Ed Kaneen (Co-Principal) - Appointed 1 January 2025

Key management personnel

Revd Dr. Rosa Hunt (Co-Principal)

Revd Dr. Ed Kaneen (Co-Principal)

Helen Ede (College Manager)

Principal bankers

Lloyds Bank Plc

Roath Park Branch

Cardiff

CF10 2AG

Investment managers

RBC Brewin Dolphin

2 Central Square

Cardiff

CF10 1FS

Auditors

Azets Audit Services

Chartered Accountants & Statutory Auditors

Ty Derw

Lime Tree Court

Cardiff Gate Business Park

Cardiff

CF23 8AB

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Statement of trustees responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees report was approved by the Board of Trustees.

C Fullerton
Trustee

24 June 2025

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Opinion

We have audited the financial statements of Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other matters

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

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Use of our report

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

Azets Audit Services

26 June 2025

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
South Glamorgan
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	2023 £
<u>Income and endowments from:</u>					
Donations and legacies	3	362,448	-	362,448	320,927
Charitable activities	4	218,096	6,667	224,763	208,770
Investments	5	117,494	-	117,494	97,394
Other income	6	3,291	-	3,291	1,838
Total income		701,329	6,667	707,996	628,929
<u>Expenditure on:</u>					
Raising funds	7	2,959	-	2,959	5,418
Charitable activities	8	619,016	2,150	621,166	614,440
Total expenditure		621,975	2,150	624,125	619,858
Net gains/(losses) on investments	13	149,821	-	149,821	(4,939)
Net movement in funds		229,175	4,517	233,692	4,132
Fund balances at 1 September 2023		2,647,718	-	2,647,718	2,643,586
Fund balances at 31 August 2024		2,876,893	4,517	2,881,410	2,647,718

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

All income and expenditure derive from continuing activities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		595,498		609,677
Investment property	16		1,310,000		1,210,000
Investments	17		534,198		475,481
			2,439,696		2,295,158
Current assets					
Debtors	18	23,987		13,542	
Cash at bank and in hand		487,154		432,643	
			511,141		446,185
Creditors: amounts falling due within one year	19	(69,427)		(93,625)	
Net current assets			441,714		352,560
Total assets less current liabilities			2,881,410		2,647,718
Income funds					
Restricted funds	21		4,517		-
<u>Unrestricted funds</u>					
General unrestricted funds		2,418,972		2,178,894	
Revaluation reserve		457,921		468,824	
			2,876,893		2,647,718
			2,881,410		2,647,718

The financial statements were approved by the Trustees on 24 June 2025

C Fullerton
Trustee

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	27		(54,087)		(107,458)
Investing activities					
Purchase of investments		(101,983)		(101,668)	
Proceeds from disposal of investments		89,651		82,721	
Investment income received		117,494		97,394	
Net cash generated from investing activities			105,162		78,447
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			51,075		(29,011)
Cash and cash equivalents at beginning of year			445,041		474,052
Cash and cash equivalents at end of year			496,116		445,041
Relating to:					
Cash at bank and in hand			487,154		432,643
Cash in investment portfolio			8,962		12,398

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College is an unincorporated charity registered in England & Wales. Their registered office is 54 Richmond Road, Cardiff, CF24 3UR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

With effect from 1 September 2024 Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College has transferred its activities along with its assets and liabilities from the unincorporated charity to a charitable incorporated organisation (CIO) of the same name (charity registration number 1198671). From 1 September 2024 the charity ceased to operate and for this reason the Trustees consider the charity is no longer a going concern.

The accounts have therefore been prepared on the basis that the charity is not a going concern.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors. See endowment funds note for such conditions.

1.4 Income

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

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the society's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

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

1.6 Tangible fixed assets

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

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

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

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

Freehold land and buildings	2% on cost
-----------------------------	------------

Individual assets costing £1,000 or more are capitalised.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is exempt from corporation tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to the charitable objects.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

1.13 Retirement benefits

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations and gifts	361,448	320,927
Legacies receivable	1,000	-
	<u>362,448</u>	<u>320,927</u>
Donations and gifts		
Church donations	85,294	31,382
Griffiths Trust	260,804	287,385
Personal	350	1,860
Other	15,000	300
	<u>361,448</u>	<u>320,927</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

4 Charitable activities

	2024 £	2023 £
Partnership income	50,000	50,000
Grants	6,667	-
Rental income	66,002	65,646
Fees	102,094	93,124
	<u>224,763</u>	<u>208,770</u>
Analysis by fund		
Unrestricted funds	218,096	208,770
Restricted funds	6,667	-
	<u>224,763</u>	<u>208,770</u>

5 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	95,417	80,300
Dividends	11,853	13,606
Interest receivable	10,224	3,488
	<u>117,494</u>	<u>97,394</u>

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sundry income	3,291	1,838
	<u>3,291</u>	<u>1,838</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
<u>Fundraising and publicity</u>		
Advertising	-	2,347
	<hr/>	<hr/>
<u>Investment management</u>	2,959	3,071
	<hr/>	<hr/>
	<u>2,959</u>	<u>5,418</u>

8 Charitable activities

	2024	2023
	£	£
Staff costs	257,845	234,571
Depreciation and impairment	14,179	14,179
Catering	4,484	3,498
Books	845	1,632
Library	5,025	6,465
Prizes	650	550
	<hr/>	<hr/>
	283,028	260,895
Grant funding of activities (see note 9)	8,368	21,720
Share of support costs (see note 10)	314,820	316,699
Share of governance costs (see note 10)	14,950	15,126
	<hr/>	<hr/>
	621,166	614,440
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	619,016	614,440
Restricted funds	2,150	-
	<hr/>	<hr/>
	<u>621,166</u>	<u>614,440</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

9 Grants payable

	2024 £	2023 £
Grants to individuals	8,368	21,720
	<u>8,368</u>	<u>21,720</u>

10 Support costs

	Support costs £	Governance costs £	2024 £	Support costs £	Governance costs £	2023 £
Staff costs	106,225	-	106,225	84,340	-	84,340
Operating lease charges	2,890	-	2,890	1,588	-	1,588
Telephone	2,803	-	2,803	2,199	-	2,199
Printing & stationery	3,759	-	3,759	5,696	-	5,696
Heat, light and water	84,225	-	84,225	86,728	-	86,728
Cleaning	3,874	-	3,874	3,653	-	3,653
Insurance	16,728	-	16,728	15,909	-	15,909
Professional fees	10,309	-	10,309	8,857	-	8,857
Student Support costs and sundry costs	11,346	-	11,346	10,944	-	10,944
Amenities & training	66	-	66	257	-	257
Travel & conference expenses	16,967	-	16,967	12,480	-	12,480
Repairs and renewals	55,628	-	55,628	84,048	-	84,048
Audit fees	-	14,950	14,950	-	15,126	15,126
	<u>314,820</u>	<u>14,950</u>	<u>329,770</u>	<u>316,699</u>	<u>15,126</u>	<u>331,825</u>
Analysed between Charitable activities	<u>314,820</u>	<u>14,950</u>	<u>329,770</u>	<u>316,699</u>	<u>15,126</u>	<u>331,825</u>

Governance costs includes payments to the auditors of £14,950 (2023- £15,126) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year in respect of their roles as trustees.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Teaching staff	6	6
Administrative staff	5	4
Total	11	10

Employment costs

	2024 £	2023 £
Wages and salaries	308,661	275,331
Social security costs	25,570	19,805
Other pension costs	29,839	23,775
	364,070	318,911

Key management personnel

The key management personnel of the charity who are noted in the trustees report received benefits (consisting of gross salary, employer's national insurance contributions and employer's pension contributions) totalling £142,349 (2023: £131,647).

The full time equivalent number of staff employed throughout the year was 5.5 (2023: 6.32).

There were no employees whose annual remuneration was more than £60,000.

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Revaluation of investments	45,006	(5,295)
Gain/(loss) on sale of investments	4,815	356
Revaluation of investment properties	100,000	-
	149,821	(4,939)

14 Taxation

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

15 Tangible fixed assets

	Freehold land and buildings £
Cost	
At 1 September 2023	708,930
At 31 August 2024	708,930
Depreciation and impairment	
At 1 September 2023	99,253
Depreciation charged in the year	14,179
At 31 August 2024	113,432
Carrying amount	
At 31 August 2024	595,498
At 31 August 2023	609,677

The property was valued on 17 March 2017 by an independent valuation expert in accordance with RICS Valuation - Professional Standards 2014 UK.

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

The historical cost of the property was £144,855.

16 Investment property

	2024 £
Fair value	
At 1 September 2023	1,210,000
Net gains or losses through fair value adjustments	100,000
At 31 August 2024	1,310,000

Land and buildings with a carrying amount of £1,310,000 were revalued on the basis of market value on 17 February 2025 / 5 March 2025 by MGY Estate Agents and Chartered Surveyors, local independent valuers not connected with the charity. The valuation was in accordance with the Royal Institution of Chartered Surveyors and conformed to the extant edition of the Appraisal Valuation Standards. The valuation did not separately value the land from the buildings.

Trustees consider the market value at those dates reflects the fair value of the properties as at 31 August 2024.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 September 2023	463,083	12,398	475,481
Additions	101,983	-	101,983
Valuation changes	45,006	-	45,006
Cash movement	-	(3,436)	(3,436)
Disposals	(84,836)	-	(84,836)
	<u>525,236</u>	<u>8,962</u>	<u>534,198</u>
At 31 August 2024	525,236	8,962	534,198
Carrying amount			
At 31 August 2024	<u>525,236</u>	<u>8,962</u>	<u>534,198</u>
At 31 August 2023	<u>463,083</u>	<u>12,398</u>	<u>475,481</u>

18 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Prepayments and accrued income	23,987	13,542
	<u>23,987</u>	<u>13,542</u>

19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Other taxation and social security		7,803	6,892
Deferred income	20	38,608	54,573
Trade creditors		396	396
Accruals and deferred income		22,620	31,764
		<u>69,427</u>	<u>93,625</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

20 Deferred income

	2024 £	2023 £
Arising from income in advance	38,608	54,573

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Balance brought forward	54,573	100,000
Income received	38,608	4,573
Income released	(54,573)	(50,000)
Balance carried forward	38,608	54,573

Deferred income relates to partnership, grant and rental income (2023: partnership and rental income) received in advance which is to be recognised in a subsequent financial reporting period.

21 Restricted funds

	Movement in funds			Balance at 31 August 2024 £
	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	
ECLAS Science for Seminaries	-	6,667	(2,150)	4,517

ECLAS Science for Seminaries

Grant provided for time spent teaching over a period of 18 months in respect of the Science and Faith module.

COLEG Y Bedyddwyr Caerdydd/Cardiff Baptist College

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Revaluation reserve

The revaluation reserve relates to the charity's freehold building which was revalued on 17 March 2017.

	As restated		Movement in funds			Movement in funds			Balance at				
	Balance at 1 September 2022	£	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	As restated Balance at 1 September 2023	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 August 2024	£
Fixed assets	479,727		-	-	(10,903)	-	468,824	-	-	(10,903)	-	457,921	
	479,727		-	-	(10,903)	-	468,824	-	-	(10,903)	-	457,921	

Transfer

The transfer relates to amounts transferred from the revaluation reserve to unrestricted funds consisting of the difference in the depreciation charge on the revalued property compared to if it was held at cost.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	Total Unrestricted funds 2023 £
Fund balances at 31 August 2024 are represented by:				
Tangible assets	595,498	-	595,498	609,677
Investment properties	1,310,000	-	1,310,000	1,210,000
Investments	534,198	-	534,198	475,481
Current assets/(liabilities)	437,197	4,517	441,714	352,560
	<u>2,876,893</u>	<u>4,517</u>	<u>2,881,410</u>	<u>2,647,718</u>

24 Operating lease commitments

Lessee

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

	2024 £	2023 £
Within one year	2,429	2,758
Between two and five years	9,103	9,414
	<u>11,532</u>	<u>12,172</u>

25 Events after the reporting date

With effect from 1 September 2024 Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College has transferred its activities along with its assets and liabilities from the unincorporated charity to a charitable incorporated organisation (CIO) of the same name (charity registration number 1198671).

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

26 Related party transactions

Transactions with related parties

Revd Rosa Hunt (Co-Principal) is an employee and an ex-officio trustee. The co-principal is not remunerated for her work as a trustee, and is not involved in decisions regarding their remuneration at board level.

Employee benefits received by the individual (gross salary, employer's NIC and employer's pension contributions) totalled £34,537 (2023: £31,914). Pension contributions for the individual totalled £2,891 (2023: £2,650).

The legal authority under which the payment was made relates to a provision in the governing document of the charity.

27 Cash generated from operations	2024	2023
	£	£
Surplus for the year	233,692	4,132
Adjustments for:		
Investment income recognised in statement of financial activities	(117,494)	(97,394)
Gain on disposal of investments	(4,815)	(356)
Fair value gains and losses on investment properties	(100,000)	-
Fair value gains and losses on investments	(45,006)	5,295
Depreciation and impairment of tangible fixed assets	14,179	14,179
Movements in working capital:		
(Increase) in debtors	(10,445)	(1,683)
(Decrease)/increase in creditors	(8,233)	13,796
(Decrease) in deferred income	(15,965)	(45,427)
Cash absorbed by operations	(54,087)	(107,458)

28 Analysis of changes in net funds

The charity had no debt during the year.

Accounts

Charity registration number 525777

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

On behalf of the Trustees of Cardiff Baptist College, I am pleased to present our annual report and financial statements for the year ended 31 August 2023.

This has been a good year for the College. Faithfulness in focussing on our primary function of formation training is evident across the whole staffing structure and our thanks go to all those who have served and continue to serve the College as Co-Principals, Tutors, Support Staff or Volunteers. Indeed, decisions taken this year which will come to fruition during the next financial year evidence future positive developments in the life of the College as we seek to expand our ministry and enhance our reputation as an essential provider of ministerial formation for folk throughout Wales and beyond.

We were delighted to establish a new partnership with the International Baptist Theological Seminary in Amsterdam. The first of our students participated in the Learning Networks this year in Rome and was very enthusiastic about the experience. We have also been collaborating even more with the wider body of Christ. We have strengthened our links with South Wales Baptist Association and the Baptist Union of Wales, and they have been part of our consultation process as we plan to reform our teaching programme from September 2024. The new programme should offer even greater flexibility to those who need to train alongside keeping full time employment, while providing a separate, more in-depth path, to those who are able to attend weekly lectures at Cardiff University. At the heart of this reform is our passion for forming mature disciples of Christ in a community of learning. We continue to work closely with the Presbyterian Church of Wales and are in discussions about delivering some bespoke training for them, and we are also working with the Baptist Union of Wales to consider developing a pioneering stream.

We have been working on a Welsh language strategy for the College and have begun preliminary conversations with the non-Conformist Welsh language denominations of Wales. Our plan is to extend the range of our provision in the Welsh language. We have developed a new public-facing website in Welsh and English which is already bearing fruit in drawing enquiries to the College.

Our Pathways course for local leaders continues to grow, and we have started to plan for an extension to the Pathways programme which we may call Pathways Plus with a view to starting this alongside the new BTh programme in September 2024.

The College seems to be growing in unexpected ways and directions, and so we have taken on two additional permanent tutors as well as continuing to benefit from our team of associate tutors. In addition to those who have joined the Pathways programme, we were pleased to have welcomed 4 students to join us, while sending a further 4 students on into ministry.

Students from the College have continued to serve churches across Wales in preaching, pastoral and missional tasks; and in addition to the total provision of College facilities, students are supported by individual bursaries where appropriate. College staff have been involved in serving local churches through ministry and preaching, as well as serving on committees of the Baptist Unions and academic groups. The Revd Dr Rosa Hunt and the Revd Dr Craig Gardiner have served the nation through broadcasting Christian programmes on BBC Radio Wales and Radio Cymru, and BBC Radio 2 and Radio 4.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

During this past year, the College's permanent teaching staff, the Revd Dr Rosa Hunt, the Revd Dr Ed Kaneen, the Revd Dr Craig Gardiner, the Revd Dr Stephen Roberts, the Revd Dr Helen Dare and Mr Richard Weaver have provided teaching and pastoral support to students at the College preparing for various forms of ministry. They have continued to serve as Honorary Lecturers at Cardiff University; a role which involves delivering a range of undergraduate and postgraduate modules for both College and University students. The College's tutors make a significant contribution to the work of Cardiff University by teaching students on the BA in Religion and Theology; and they enjoy positive working relationships with colleagues in the Department of Religion and Theology. The College has continued to benefit from the expertise in Biblical Studies and, particularly, Old Testament Studies, provided by Associate Tutor, the Revd Dr Kofi Amisah. Both the Revd Dr Ed Kaneen and the Revd Dr Stephen Roberts represent the College on the various Boards of Studies and other committees. Ed has also joined the Management Board of Cardiff University's Centre for the Study of Islam.

The College has continued to be provided with excellent support from Mrs Helen Ede the College Manager. Mrs Heather Lewis joined the administrative team in December 2022 as Finance and Facilities Officer. Both have worked hard to develop and run the College's financial systems, and working with our cleaner Ms Ceri-Ann Potton, have ensured that the College buildings and overall site are maintained to a high standard for all those who work and live here. Throughout the year the College's residential hostel and wider office space were nearly fully occupied by tenants. The post Covid pandemic recovery of this part of our income was the culmination of very hard work by Mrs Helen Ede and our previous Site Manager Mr Rob Whitehouse who left at the start of the year. We are truly grateful for their contribution to supporting the financial sustainability of the College. We were delighted to be able to expand the role of the third member of the administration team, Ms Holly Terrington, to cover academic administration, communications and website work in addition to her original work as the College Librarian.

The annual Edwin Stephen Griffiths Lecture, 'In place and out of place' was delivered by Revd Dr Mike Pears of the International Baptist Theological Seminary in March. The lecture considered the shaping of effective mission through a deeper understanding of place, a theme built on further in a follow-on workshop ' Fresh Ways of seeing your neighbourhood'. In June, the College hosted its annual Whitley Lecture, a national public event, presented this year by Revd Dr. Linda Hopkins on 'Learning from Young People's Experience of Baptist Communion: Re-envisioning the Meal as a Space for Nurturing Faith'. During the lecture and a facilitated workshop on 'Children, Young People and Worship' participants were able to explore the role played by sacred spaces in encouraging younger generations.

Following last year's Trustees' decision to retain all the College's property in Cardiff the College continued to invest in some long-delayed improvements to the fabric of the buildings. It proved possible to maximise rental income to support the costs of the College's primary function of formation training. Throughout the year, the College's buildings were all at near capacity, the College having happily secured a longer term third sector tenant in 2021 for its office accommodation, and new residents for the residential accommodation.

Following the change of College name in 2021, and last year's Trustees' decision to change the College's status from unincorporated Charity to Charitable Incorporated Organisation, Trustees continued to plan for the transfer of assets to the new entity, seeking external professional advice to support the process, particularly on pension implications. With the exception of the Co-Principal, who acts ex officio, all Trustees give their time voluntarily and receive no financial benefits from the College. The Trustee Board is served admirably well by a widely diverse and gifted group of individuals who freely give of their time and expertise to the role, and I am, once again, indebted to them for their willingness to serve on the Board. I was delighted to welcome the Revd Sarah Butt, a relatively recent graduate of the College, as a new Trustee in January 2023.

C Fullerton
Trustee

Date: 27 June 2024

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

The financial report shows an exceptionally challenging year for the College as a result of rising costs and lower fee income, the latter reflecting what we hope is the very end of the impact on us of the Covid pandemic. The report shows how grateful we must be for the faith, foresight and generosity of those who came before us – their legacies of buildings and gifts have supported us financially through this year. Our thanks also go to all those churches, individuals and organisations that support us financially today. Their support is a vital part of sustaining the life and work of the College as we look forward. We also give thanks that this year has been a year of new beginnings, new partnerships at home and abroad, new staff to build the College's academic and financial capacity, and new tenants to build a wider College community. These developments are the result of very hard work by those who lead and work at the College. As Trustees we recognise just how blessed the College is in its staff. This report provides a snapshot of their work, but also an opportunity to thank them for all that they do.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

Cardiff Baptist College is a faith - based formational community that has been preparing men and women for Ministry in all spheres of life since 1807.

The Objectives of the College are:

- the advancement of the Christian Religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices and in particular the training of students for ministry amongst the Baptist churches.
- to provide education, training, vocational preparation and support to Christians for mission and ministry.

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The South Wales Baptist College's charitable purpose is enshrined in its objectives listed above. The charity delivers its public benefit through its work with a wide range of external organisations.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

In common with many other organisations College expenditure during the year was affected by unprecedented increases in UK energy prices, and consequent wider cost of living pressures. In line with their pay policy for the College the Trustees followed the Baptist Union of Great Britain stipend recommendation and awarded a salary increase of a little over 7 per cent for all staff from the beginning of the year. The increases in energy unit costs and staff costs were magnified by additional energy consumption thanks to increased occupancy of the College's residential accommodation, and the strengthening of permanent staff resources at the start of the year. Overall, expenditure for the year rose by a little more than 18 per cent.

The increase in expenditure was partly offset by increases in rental income, and improvements in the distribution to the College from the investments held by the Griffiths Trust, with overall income rising by 9 per cent. In total, the College reported an unrestricted surplus for the year of £9,071 before investment movement (2022 - £142,128) and a deficit on its investment portfolio of £4,939 (2022 – a deficit of £37,109).

The Trustees will continue to manage the financial position of the College on a prudent basis and consider the College's activities to be on a sound financial basis, whilst acknowledging the significant contribution made by rental incomes and the regular distribution from the ES Griffiths Trust Legacy to supporting the key charitable objectives of the College.

Reserves policy

It is the policy of the Trustees to ensure that the College maintains sufficient free reserves to fulfil its obligations to those students to whom it has made training commitments at the date of the balance sheet. Based on the budget for the financial year, this would require free reserves amounting to the order of £500,000, making allowance for revenue that could be generated in that period.

The College has unrestricted reserves, excluding those held as tangible fixed assets, investment properties and endowment funds of £828,041 at 31 August (2022 - £809,730). This balance represents the Charity's free reserves. The Trustees will continue to manage the College's financial affairs on a prudent basis, with the objective of maintaining the free reserves position.

Investment policy

The Trustees have adopted a formal Investment policy that defines both acceptable risk levels, and a medium term required rate of return. In 2022-23 the required rate of return was 5 per cent, whilst at least maintaining the long-term purchasing power of capital against longer term inflation pressures.

The Trustees noted that the investment deficit during the period totalled £4,939, and investment income amounted to £13,606. This gave a small gain of £8,661 in investments which totalled £475,481.

The investments are managed within ethical guidelines set down by the Trustees. Within the investment strategy the investment managers have discretion over particular investments. Details of the investments are set out in the notes to the financial statement.

The Investment managers during this year were Brewin Dolphin.

The Charity also holds three investment properties which were valued at 17 March 2017. The Trustees consider the market value at 17 March 2017 reflects their fair value at 31 August 2022 and 31 August 2023.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Risk review

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity maintains a risk register and the Trustees review at least annually the main strategic, business and operational risks which the charity faces. The Trustees have established systems and controls to mitigate against major risks to which the College is exposed. Any activity with a high residual risk is monitored and appropriate action implemented to bring within acceptable levels wherever possible.

Other policies are also in place in relation to health and safety, governance and management.

Major risks

Under normal circumstances, the risks of the unincorporated Charity are mitigated to an acceptable level in day-to-day operations. A financial risk assessment has been made, along with an organisational risk assessment in the College's approach to budget setting for future years. The Trustees consider their main risks are their relationship with key funders and stakeholders, maintaining healthy recruitment numbers, and managing the impact of high inflation on College finances. The fixed agenda items on each Trustees' quarterly meeting – Co-Principals' Report, Students' Report (prepared and delivered by a student representative), and Financial Report address these risks.

Plans for future periods

The work of the College continues to develop. In particular for 2023-24 we expect to:

- consult and plan for the development of a reformed teaching programme for September 2024 including a new BTh programme and an enhanced Pathways programme;
- work closely with Cardiff University to re-negotiate the terms of our partnership working arrangement from September 2024;
- build on our long-term links with the Baptist Union of Wales and the South Wales Baptist Association and develop stronger links with the Presbyterian Church of Wales to reflect the needs of today's Churches and potential students in our programmes;
- develop our Welsh Language Strategy and teaching provision in Welsh, working closely with non-Conformist Welsh language denominations across Wales;
- explore wider sources of funding, including grant funding, and specific funding from churches to develop the College's teaching in new areas, and build the financial resilience of the College;
- improve the fabric of our buildings to support energy efficiency, and seek better, more financially sustainable options for energy provision; and
- carry out the final elements of due diligence needed to complete the move to CIO, hopefully from September 2024.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management

Constitution

The College was founded in 1807, and operates under a governing document which is the Charity Commission Scheme that came into effect on 28 October 2009. Cardiff Baptist College is currently registered as an unincorporated charity.

The Board of Trustees

The Trustees exercise the powers of the charity in accordance with the Charity Commission Scheme.

Key management personnel remuneration

Our key management personnel are the Trustees of the Charity as detailed within this Trustees' report, the Co-Principals of the College (Revd Rosa Hunt and Revd Ed Kaneen) and the College Manager Mrs Helen Ede.

Setting pay and other remuneration is ultimately the responsibility of the Trustees, on the advice of the Officers of the College who comprise the Chair (Revd Mark Thomas), Co-Principals (Revd Rosa Hunt and Revd Ed Kaneen) and Treasurer (Caren Fullerton). The Co-Principals do not participate either at officer or trustee level in decisions concerning their remuneration.

Remuneration decisions are taken in the light of relevant benchmarks, including stipend levels set by the Baptist Union of Great Britain (BUGB), Cardiff University lecturer pay scales, the National Living Wage, and local conditions. For this year (as last year) the annual pay award was paid in September at the start of the academic (and financial) year. Compared to previous years this had reduced the time lag between the benchmark inflation figure used by BUGB and pay award date.

Governing document

The College operates under the provisions of the Charity Commission Scheme. The trustees are responsible for the overall direction of the charity, and for ensuring that it acts in accordance with the provisions of the Trust Deed. They are supported by advisory groups addressing Finance, Buildings and Services, and Ministerial Selection. The scheme provides clarity to the roles respectively of the trustees as a body, and the Executive charged with the day-to-day responsibility of running the College.

Recruitment and induction

Trustees are recruited with the aim of balancing the need for continuity, commitment, experience and people skills, along with a suitable blend of gender, age and geographical representation. A representative Trustee nomination group holds informal conversations with leaders of the various Baptist associations and unions which support the College.

Trustees receive an induction into the work of the College by meeting the Chairman and Senior Staff and being advised of their general work, as well as receiving financial statements and other relevant documentation, including relevant Charity Commission publications. Training is provided as needed by appropriately skilled external trainers.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reference and administrative details

Name:

Cardiff Baptist College

Registered number:

525777

Registered office:

54 Richmond Road
Cardiff
CF24 3UR

Trustees:

Revd Rosa Hunt (co-Principal)
Revd Denzil John
Revd Sarah Butt (appointed January 2023)
Caren Fullerton
Cedric Longville
Revd Mark Thomas (Chairman)
Revd Emma Franks
Revd Timothy Moody

Key management personnel

Revd Dr. Rosa Hunt (Co-Principal)
Revd Dr. Ed Kaneen (Co-Principal)
Helen Ede (College Manager)

Principal bankers:

Lloyds Bank Plc
Roath Park Branch
Cardiff
CF10 2AG

Stockbrokers:

RBC Brewin Dolphin
2 Central Square
Cardiff
CF10 1FS

Auditors:

Azets Audit Services
Chartered Accountants & Statutory Auditors
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees report was approved by the Board of Trustees.

C Fullerton
Trustee

27 June 2024

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Opinion

We have audited the financial statements of Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Other matters

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

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

Use of our report

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

Azets Audit Services

27 June 2024

**Chartered Accountants
Statutory Auditor**

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>					
Donations and legacies	3	320,927	269,428	-	269,428
Charitable activities	4	208,770	240,235	-	240,235
Investments	5	97,394	62,161	-	62,161
Other income	6	1,838	4,022	-	4,022
Total income		628,929	575,846	-	575,846
<u>Expenditure on:</u>					
Raising funds	7	5,418	339	-	339
Charitable activities	8	614,440	433,379	-	433,379
Other	12	-	-	50	50
Total expenditure		619,858	433,718	50	433,768
Net gains/(losses) on investments	14	(4,939)	(37,109)	-	(37,109)
Net movement in funds		4,132	105,019	(50)	104,969
Fund balances at 1 September 2022		2,643,586	2,538,567	50	2,538,617
Fund balances at 31 August 2023		2,647,718	2,643,586	-	2,643,586

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

All income and expenditure derive from continuing activities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	16		609,677		623,856
Investment property	17		1,210,000		1,210,000
Investments	18		475,481		469,885
			<u>2,295,158</u>		<u>2,303,741</u>
Current assets					
Debtors	19	13,542		11,859	
Cash at bank and in hand		432,643		453,242	
		<u>446,185</u>		<u>465,101</u>	
Creditors: amounts falling due within one year	20	<u>(93,625)</u>		<u>(75,256)</u>	
Net current assets			352,560		389,845
Total assets less current liabilities			<u>2,647,718</u>		<u>2,693,586</u>
Creditors: amounts falling due after more than one year	21		-		(50,000)
Net assets			<u><u>2,647,718</u></u>		<u><u>2,643,586</u></u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		2,178,894		2,163,859	
Revaluation reserve		468,824		479,727	
		<u>2,647,718</u>		<u>2,643,586</u>	
			<u><u>2,647,718</u></u>		<u><u>2,643,586</u></u>

The financial statements were approved by the Trustees on 27 June 2024

C Fullerton
Trustee

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(107,458)		100,346
Investing activities					
Purchase of investments		(101,668)		(96,250)	
Proceeds from disposal of investments		82,721		98,320	
Investment income received		97,394		62,161	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			78,447		64,231
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net (decrease)/increase in cash and cash equivalents			(29,011)		164,577
Cash and cash equivalents at beginning of year			474,052		309,475
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			445,041		474,052
			<u> </u>		<u> </u>
Relating to:					
Cash at bank and in hand			432,643		453,242
Cash in investment portfolio			12,398		20,810
			<u> </u>		<u> </u>

COLEG Y Bedyddwyr Caerdydd/Cardiff Baptist College

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College is an unincorporated charity registered in England & Wales. Their registered office is 54 Richmond Road, Cardiff, CF24 3UR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

The Charity is currently in the process of changing its status from an Unincorporated Charity to a Charitable Incorporated Organisation (CIO). The Charity's intention is to transfer all assets, liabilities and activities into the CIO and it is anticipated that this process will be completed during the 2024/25 financial year.

As a result, the financial statements have been prepared on a basis other than that of a going concern.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors. See endowment funds note for such conditions.

1.4 Income

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

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the society's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

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

1.6 Tangible fixed assets

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

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

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

Freehold land and buildings	2% on cost
-----------------------------	------------

Individual assets costing £1,000 or more are capitalised.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Investment properties were valued at market value on 17 March 2017 and was reflected as part of the transition to FRS 102. Trustees consider the market value at 17 March 2017 reflects the fair value of the properties at 31 August 2022 and 31 August 2023.

1.8 Fixed asset investments

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

As a registered charity, Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

1.12 Retirement benefits

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	320,927	269,228
Legacies receivable	-	200
	<u>320,927</u>	<u>269,428</u>
Donations and gifts		
Church donations	31,382	22,383
Griffiths Trust	287,385	245,405
Personal	1,860	1,440
Other	300	-
	<u>320,927</u>	<u>269,228</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

4 Charitable activities

	2023 £	2022 £
Partnership income	50,000	50,000
Rental income	65,646	44,995
Fees	93,124	145,240
	<u>208,770</u>	<u>240,235</u>

5 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	80,300	50,866
Dividends	13,606	10,958
Interest receivable	3,488	337
	<u>97,394</u>	<u>62,161</u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Sundry income	1,838	4,022
	<u>1,838</u>	<u>4,022</u>

7 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Fundraising and publicity</u>		
Advertising	2,347	339
	<u>2,347</u>	<u>339</u>
<u>Investment management</u>	3,071	-
	<u>5,418</u>	<u>339</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

7 Raising funds

(Continued)

8 Charitable activities

	2023 £	2022 £
Staff costs	234,571	196,578
Depreciation and impairment	14,179	14,179
Catering	3,498	3,477
Books	1,632	1,176
Library	6,465	5,236
Prizes	550	450
Pension Liability Interest Charge	-	1,608
Pension scheme liability released/ remeasurement (see note 27)	-	(89,911)
	<u>260,895</u>	<u>132,793</u>
Grant funding of activities (see note 9)	21,720	8,849
Share of support costs (see note 10)	316,699	287,063
Share of governance costs (see note 10)	15,126	4,674
	<u>614,440</u>	<u>433,379</u>

9 Grants payable

	2023 £	2022 £
Grants to individuals	21,720	8,849
	<u>21,720</u>	<u>8,849</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	84,340	-	84,340	57,099	-	57,099
Operating lease charges	1,588	-	1,588	935	-	935
Telephone	2,199	-	2,199	4,160	-	4,160
Printing & stationery	5,696	-	5,696	4,453	-	4,453
Heat, light and water	86,728	-	86,728	13,926	-	13,926
Cleaning	3,653	-	3,653	10,004	-	10,004
Insurance	15,909	-	15,909	13,522	-	13,522
Professional fees	8,857	-	8,857	27,684	-	27,684
Student Support costs and sundry costs	10,944	-	10,944	21,770	-	21,770
Amenities & training	257	-	257	401	-	401
Travel & conference expenses	12,480	-	12,480	12,284	-	12,284
Repairs and renewals	84,048	-	84,048	120,825	-	120,825
Audit fees	-	15,126	15,126	-	4,674	4,674
	<u>316,699</u>	<u>15,126</u>	<u>331,825</u>	<u>287,063</u>	<u>4,674</u>	<u>291,737</u>
Analysed between Charitable activities	<u>316,699</u>	<u>15,126</u>	<u>331,825</u>	<u>287,063</u>	<u>4,674</u>	<u>291,737</u>

Governance costs includes payments to the auditors of £15,126 (2022- £4,674) for audit fees.

The increase in audit fees is attributable to increasing levels of regulation and enhanced requirements and procedures for all audits for periods commencing after 15 December 2021, which in turn have increased the amount of time it takes to complete an audit and have also had a significant impact on the availability of experienced audit resource.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year in respect of their roles as trustees.

12 Other

	Total Endowment funds general	
	2023	2022
	£	£
Anne Rendell Prize Fund	-	50
	<u>-</u>	<u>50</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

13 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching staff	6	4
Administrative staff	4	4
	<hr/>	<hr/>
Total	10	8
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2023 £	2022 £
Wages and salaries	275,331	216,453
Social security costs	19,805	18,625
Other pension costs	23,775	18,599
	<hr/>	<hr/>
	318,911	253,677
	<hr/> <hr/>	<hr/> <hr/>

Key management personnel

The key management personnel of the charity who are noted in the trustees report received benefits (consisting of gross salary, employer's national insurance contributions and employer's pension contributions) totalling £131,647 (2022: £122,270).

The full time equivalent number of staff employed throughout the year was 6.32 (2022: 5.42).

There were no employees whose annual remuneration was more than £60,000.

14 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Revaluation of investments	(5,295)	(33,115)
Gain/(loss) on sale of investments	356	(3,994)
	<hr/>	<hr/>
	(4,939)	(37,109)
	<hr/> <hr/>	<hr/> <hr/>

15 Taxation

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

16 Tangible fixed assets

	Freehold land and buildings £
Cost	
At 1 September 2022	708,930
At 31 August 2023	708,930
Depreciation and impairment	
At 1 September 2022	85,074
Depreciation charged in the year	14,179
At 31 August 2023	99,253
Carrying amount	
At 31 August 2023	609,677
At 31 August 2022	623,856

The property was valued on 17 March 2017 by an independent valuation expert in accordance with RICS Valuation - Professional Standards 2014 UK. .

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

The historical cost of the property was £144,855.

17 Investment property

	2023 £
Fair value	
At 1 September 2022 and 31 August 2023	1,210,000

A review of the property portfolio took place in March 2017 and it was agreed that three of the four properties owned by the charity were in fact investment properties. All four properties were valued on 17 March 2017. Trustees consider the market value at that date reflects the fair value of the properties as at 31 August 2022 and 31 August 2023. The remaining fixed asset property is used for charitable purposes.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

18 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 September 2022	449,075	20,810	469,885
Additions	101,668	-	101,668
Valuation changes	(5,295)	-	(5,295)
Cash movement	-	(8,412)	(8,412)
Disposals	(82,365)	-	(82,365)
	<u>463,083</u>	<u>12,398</u>	<u>475,481</u>
At 31 August 2023	463,083	12,398	475,481
Carrying amount			
At 31 August 2023	<u>463,083</u>	<u>12,398</u>	<u>475,481</u>
At 31 August 2022	<u>449,075</u>	<u>20,810</u>	<u>469,885</u>

19 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Prepayments and accrued income	13,542	11,859
	<u>13,542</u>	<u>11,859</u>

20 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		6,892	11,749
Deferred income	22	54,573	50,000
Trade creditors		396	396
Accruals and deferred income		31,764	13,111
		<u>93,625</u>	<u>75,256</u>

21 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Deferred income	22	-	50,000
		<u>-</u>	<u>50,000</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

22 Deferred income

	2023 £	2022 £
Arising from income in advance	54,573	100,000

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Balance brought forward	100,000	-
Income received	4,573	100,000
Income released	(50,000)	-
Balance carried forward	54,573	100,000

Deferred income relates to partnership income received in advance, relating to financial year ending 2024, and rental income relating to 2024.

23 Endowment funds

	Balance at 1 September 2021 £	Resources expended £	Balance at 1 September 2022 £	Movement in funds Incoming resources £	Balance at 31 August 2023 £
Permanent endowments					
Anne Rendell	50	(50)	-	-	-
	50	(50)	-	-	-

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Revaluation reserve

The revaluation reserve relates to the charity's freehold building which was revalued on 17 March 2017.

	As restated	Movement in funds				As restated	Movement in funds				Balance at 31 August 2023 £
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £	
Fixed assets	490,630	-	-	(10,903)	-	479,727	-	-	(10,903)	-	468,824
	<u>490,630</u>	<u>-</u>	<u>-</u>	<u>(10,903)</u>	<u>-</u>	<u>479,727</u>	<u>-</u>	<u>-</u>	<u>(10,903)</u>	<u>-</u>	<u>468,824</u>

Transfer

The transfer relates to amounts transferred from the revaluation reserve to unrestricted funds consisting of the difference in the depreciation charge on the revalued property compared to if it was held at cost.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Operating lease commitments

Lessee

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

	2023 £	2022 £
Within one year	2,758	329
Between two and five years	9,414	585
	<u>12,172</u>	<u>914</u>

26 Events after the reporting date

It is the intention of the Trustees to transfer the assets and the liabilities of the unincorporated charity into a charitable incorporated organisation during the financial year 2024/2025.

In readiness for this a charitable incorporated organisation of the same name as the unincorporated charity was registered on 20 April 2022, with charity number 1198671. A resolution was passed on 25 April 2023 to proceed with the transfer.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

27 Pension Scheme

The College is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

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 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 contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

All principals and staff are eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

27 Pension Scheme

(Continued)

Pension increases

- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme was due to take place as at 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from colleges and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

At the end of June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. As a result, the Scheme no longer has a shortfall. A revised statement of contributions was announced in July 2022 with deficit contributions from each participating employer in the DB Plan reducing to just £1 per month from August 2022.

Reconciliation of Pension Liability

	2023	2022
Year Ending	£	£
Balance sheet liability at year start	-	107,447
Minus deficiency contributions paid	-	(19,144)
Interest cost (recognised in SoFA)	-	1,608
Deficiency liability released	-	(89,911)
Actuarial (gains)/losses on re-measurement of liability (recognised in SoFA)	-	-
Balance sheet liability at year end	-	-

28 Related party transactions

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

28 Related party transactions (Continued)

Transactions with related parties

Revd Rosa Hunt (Co-Principal) is an employee and an ex-officio trustee. The co-principal is not remunerated for her work as a trustee, and is not involved in decisions regarding their remuneration at board level

Employee benefits received by the individual (gross salary, employer's NIC and employer's pension contributions) totalled £31,914 (2022: £29,823). Pension contributions for the individual totalled £2,650 (2022: £2,496).

The legal authority under which the payment was made was relates to a provision in the governing document of the charity.

29 Cash generated from operations	2023	2022
	£	£
Surplus for the year	4,132	104,969
Adjustments for:		
Investment income recognised in statement of financial activities	(97,394)	(62,161)
(Gain)/loss on disposal of investments	(356)	3,994
Fair value gains and losses on investments	5,295	33,115
Depreciation and impairment of tangible fixed assets	14,179	14,179
Difference between pension charge and cash contributions	-	(107,447)
Movements in working capital:		
(Increase) in debtors	(1,683)	(822)
Increase in creditors	13,796	14,519
(Decrease)/increase in deferred income	(45,427)	100,000
Cash (absorbed by)/generated from operations	(107,458)	100,346

30 Analysis of changes in net funds

The charity had no debt during the year.

Accounts

Charity registration number 525777

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

On behalf of the Trustees, I am pleased to present this report and the financial statements of Cardiff Baptist College for the year ended 31 August 2022. The financial statements comply with the Charities Act 2011, and follow the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard applicable in the UK and the Republic of Ireland (FRS 102).

This has been a good year for the College. Faithfulness in focussing on our primary function of formation training is evident across the whole staffing structure and our thanks go to all those who have served and continue to serve the College as Co-Principals, Tutors, Support Staff or Volunteers. Indeed, decisions taken this year which will come to fruition during the next financial year evidence future positive developments in the life of the College as we seek to expand our ministry and enhance our reputation as an essential provider of ministerial formation for folk throughout Wales and beyond.

Our thanks also go to all those churches, individuals and organisations that support us financially. This support is a vital part of sustaining the life and work of the College. Individuals and Churches may express their support of us by making one-off or regular donations. Appropriate forms for individuals or Churches can be made available from the College.

Whatever sadness and loss COVID has brought in its wake, it has certainly forced us all to “pioneer and move out of the comfort zone of familiar ways of doing things”. This was the Baptist Union of Great Britain’s 2018 expression of ‘embracing adventure. Although both staff and students in Cardiff prefer face to face interactions, we have learned that having to embrace technology (as well as adventure!) has its benefits for formation. In particular, we have found that a flipped classroom approach has freed up valuable face to face time for discussion, rather than imparting of information. Perhaps most important of all, our daily prayer times and monthly pastoral groups over Teams have allowed us to build a strong sense of community even when we have not been allowed to meet face to face.

Another feature of this new adventure is that we have been collaborating even more with the wider body of Christ. We have strengthened our links with South Wales Baptist Association and the Baptist Union of Wales, and they have been part of our consultation process as we plan to reform our teaching programme from September 2024. The new programme should offer even greater flexibility to those who need to train alongside keeping full time employment, while providing a separate, more in-depth path, to those who are able to attend weekly lectures at Cardiff University. At the heart of this reform is our passion for forming mature disciples of Christ in a community of learning. We continue to work closely with the Presbyterian Church of Wales and are in discussions about delivering some bespoke training for them, and we are also working with the Baptist Union of Wales to consider developing a pioneering stream. Our Pathways course for local leaders continues to grow, and perhaps most excitingly of all, we (along with other Christian organisations) have been invited by the Church in Wales to join discussions with Welsh Government about a funded internship scheme for prospective ministerial candidates. This will be deliberately aimed at young adults exploring a call to ministry. We also rejoice that we have renewed our partnership agreement with Cardiff University, and we have enjoyed regular research seminars for staff and research students linked to the College. The College seems to be growing in unexpected ways and directions, and so we are considering taking on an additional permanent tutor as well as continuing to benefit from our team of associate tutors.

This year, we are pleased to have welcomed 10 students to join us, while sending a further 14 students on into ministry.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Students from the College have continued to serve churches across Wales in preaching, pastoral and missional tasks; and in addition to the total provision of College facilities, students are supported by individual bursaries where appropriate. College staff have been involved in serving local churches through ministry and preaching, as well as serving on committees of the Baptist Unions and academic groups. The Revd Dr Rosa Hunt and the Revd Dr Craig Gardiner have served the nation through broadcasting Christian programmes on BBC Radio Wales and Radio Cymru, and BBC Radio 2 and Radio 4.

During this past year, the College's permanent teaching staff, the Revd Dr Rosa Hunt, the Revd Dr Ed Kaneen, the Revd Dr Craig Gardiner, and the Revd Dr Stephen Roberts, have provided teaching and pastoral support to students at the College preparing for various forms of ministry. They have continued to serve as Honorary Lecturers at Cardiff University; a role which involves delivering a range of undergraduate and postgraduate modules for both College and University students. The College's tutors make a significant contribution to the work of Cardiff University by teaching students on the BA in Religion and Theology; and they enjoy positive working relationships with colleagues in the Department of Religion and Theology.

The College has continued to benefit from the expertise in Biblical Studies and, particularly, Old Testament Studies, provided by Associate Tutors the Revd Dr Kofi Amisah and the Revd Dr Helen Dare, as well as the ongoing New Testament expertise provided by the Revd Dr Ed Kaneen. The Revd Dr Ed Kaneen has also represented the College on the Cardiff University Council and continues to serve as Programme Convener for Theology for the School of History, Archaeology and Religion. Both the Revd Dr Ed Kaneen and the Revd Dr Stephen Roberts represent the College on the various Boards of Studies and other committees.

The College has been ably served by Mrs Helen Ede as College Manager, and Mr Rob Whitehouse as Site Manager. Both have worked hard to develop the financial systems in the College, as well as to maintain the site and prepare it for new tenants who have started to return following lockdown. Ms Holly Terrington has made significant progress in increasing library availability and accessibility.

In April, the College hosted its annual Whitley Lecture, a national public lecture, presented this year by Revd Dr Andy Goodliff. His work on politics and Baptist principles came together in his well-received lecture, 'The Ruling Christ and the Witnessing Church: Towards a Baptist Political Theology'. After delays due to Covid, the Edwin Stephen Griffiths Lecture was delivered by Professor Andrew Clarke on a new model of church developed in Scotland called 'Micro Churches', based on New Testament models of leadership. This was very well received and has led to many further discussions in local churches.

Alongside its work with ministerial students the College also offers an access-level course, Pathways, which is designed for local church leaders and members. It is overseen by Associate Tutor, the Revd Jon Davis, and it is good to report that the numbers of people participating in the Pathways course have continued to grow during the last year. Another Associate Tutor, the Revd Dr Graham Watts, has provided valuable service this year in overseeing the learning contracts which the College provides for Newly Accredited Baptist Ministers.

Financially, for 2021-22, the College's improved position post Covid was maintained, and it ended the year with an unrestricted surplus of £52,216 (before investment losses and the pension liability release). During the year the Trustees completed their review of long-term options for the future of the College's buildings and site. Opportunities to work with either a commercial or a third sector partner on a mixed academic residential use redevelopment were explored. While the potential to modernise the College's older buildings to meet twenty-first century needs was attractive, all the options considered were at best cost neutral and would have seen the College losing ongoing rental income while retaining unpredictable accommodation costs. The Trustees' decision was to retain the current property, to invest in some long-delayed improvements to the fabric of the buildings (using capital saved in previous years) and to maximise rental income to support the costs of the College's primary function of formation training. At the end of 2021-22 the College's buildings were all at near capacity, the College having secured a longer term third sector tenant for its office accommodation, and new residents for the residential accommodation.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Following the change of College name in 2021, this year the Trustees took the formal decision to change the College's status from unincorporated charity to Charitable Incorporated Organisation, registered the CIO with the Charity Commission, and began planning for the transfer of assets to the new entity, seeking external professional advice to support the process.

With the exception of the Co-Principal, who acts *ex officio*, all Trustees give their time voluntarily and receive no financial benefits from the College. The Trustee Board is served admirably well by a widely diverse and gifted group of individuals who freely give of their time and expertise to the role, and I am, once again, indebted to them for their willingness to serve on the Board. During the year two Trustees resigned - Eirlys Jones left in the early part of the year, and Paul Phillips at the very end of the year. The College owes them a debt of gratitude for their years of faithful service in providing support and specific practical help on recruitment and accommodation decisions.

Revd Mark Thomas

Chair of Trustees

Dated: 28 June 2023

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their report and financial statements for the year ended 31 August 2022.

On 13 July 2021 the charity formally changed its registered name from South Wales Baptist College to Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College. The change was agreed by the trustees on 19 April 2021 but not registered with the Charity Commission until 13 July 2021, registration being the date the change legally took effect.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the College are:

- the advancement of the Christian Religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices and in particular the training of students for ministry amongst the Baptist churches.
- to provide education, training, vocational preparation and support to Christians for mission and ministry.

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The South Wales Baptist College's charitable purpose is enshrined in its objectives listed above. The charity delivers its public benefit through its work with a wide range of external organisations.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The College reported an unrestricted surplus for the year of £52,213 (before investment movement and the release of the pension liability) (2021 – £44,995). The College reported a deficit during the year on its investment portfolio of £37,109 (2021 - surplus £86,872). The College remains a long-term investor and will continue to manage its investments accordingly.

The Trustees will continue to manage the financial position of the College on a prudent basis and consider the College's activities to be on a sound financial basis.

The charity has unrestricted reserves, excluding those held as tangible fixed assets, investment properties and endowment funds, of £810,000 at 31 August 2022 (2021: £690,532). This balance represents the charity's free reserves.

Reserves policy

It is the policy of the Trustees to ensure that the College maintains sufficient free reserves to enable it to fulfil its obligations to complete the training of those students to whom it has made training commitments at the date of the balance sheet. Based on the budget for the financial year, this would require free reserves amounting to between £400,000 and £500,000 making allowance for revenue that could be earned in that period.

Free reserves at the Balance Sheet date totalled £810,000.

The Trustees will continue to manage the College's financial affairs on a prudent basis, with the objective of strengthening the free reserves position.

Investment policy

The Trustees have adopted a formal investment policy that defines both acceptable risk levels, and a medium term required rate of return. In 2021-22 the rate of return objective was 5% whilst at least maintaining the long-term purchasing power of capital against inflation.

The Trustees noted that investment deficit during the period totalled £37,109 and investment income amounted to £10,958. This gave a total loss of £26,151 on investments totalling £469,885 at the end of the year.

The investments are managed within ethical guidelines set down by the Trustees. Within the investment strategy, the investment managers have discretion over particular investments. Details of the investments are set out in the notes to the financial statements.

The investment managers are Brewin Dolphin.

The charity also holds three investment properties which were valued on 17 March 2017. The Trustees consider the market value at 17 March 2017 reflects their fair value at 31 August 2021 and 31 August 2022.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Risk review

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity maintains a risk register and the Trustees review at least annually the main strategic, business and operational risks which the charity faces. The Trustees have established systems and controls to mitigate against major risks to which the College is exposed. Any activity with a high residual risk is monitored and appropriate action implemented to bring within acceptable levels wherever possible.

Other policies are also in place in relation to health and safety, governance and management.

Major risks

Under normal circumstances, the risks of the unincorporated charity are mitigated to an acceptable level in day-to-day operations. A financial risk assessment has been made, along with an organisational risk assessment in the College's approach to budget setting for future years. The Trustees consider their main risks are their relationship with key funders and stakeholders, maintaining healthy recruitment numbers, and managing the impact of high inflation on College finances.

Plans for future periods

- Run retreats for students and staff. This model will be kept under review in light of changing circumstances due to Covid. A Covid-safe alternative will be arranged if necessary.
- Run a Discernment Day for people exploring a call to ordained ministry and for those interested in courses of theological education.
- Build on earlier consultations the South Wales Baptist Association and the Baptist Union of Wales and others as we continue to plan our reformed teaching programme from September 2024.
- Participate in Baptist discussions about changing patterns of ministerial training and formation and contribute to discussions about the funding of training Baptist ministers.
- Recruit students for September 2023 intake.
- Recruit an additional permanent member of teaching staff
- Recruit and integrate new trustees and continue building a healthy and diverse trustee body.
- Continue to develop detailed plans for changing the status of the College to a Charitable Incorporated Organisation.
- Continue to develop healthy working relationships and new partnerships for teaching with other denominations in Wales.
- Explore options to develop programmes of study with the International Baptist Theological Seminary
- Change College communications channels to reflect the new College name, including a new website www.cbc.cymru

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Constitution

The College was founded in 1807, and operates under a governing document which is the Charity Commission Scheme that came into effect on 28 October 2009. Cardiff Baptist College is currently registered as an unincorporated charity.

The Board of Trustees

The Trustees exercise the powers of the charity in accordance with the Charity Commission Scheme.

Key management personnel remuneration

Our key management personnel are the Trustees of the charity, as detailed within the Trustees' report, and the co-Principals of the College, Revd Rosa Hunt and Revd Ed Kaneen.

Setting pay and other remuneration is ultimately the responsibility of the Trustees, on the advice of the Officers of the College who comprise the Chair (Revd Mark Thomas), co-Principals (Revd Rosa Hunt and Revd Ed Kaneen) and Treasurer (Caren Fullerton). The co-Principals do not participate, either at officer or trustee level, in decisions concerning their remuneration.

Remuneration decisions are taken in the light of relevant benchmarks, including stipend levels set by the Baptist Union of Great Britain, Baptist Union of Wales, Cardiff University lecturer pay scales, and local conditions. The remuneration policy was changed in 2021-22 to bring the annual pay award date forward from April 2022 to September 2021. This aligns with the College's financial year and reduces the time lag between the benchmark inflation figure and award date.

Governing document

The College operates under the provisions of the Charity Commission Scheme. The trustees are responsible for the overall direction of the charity, and for ensuring that it acts in accordance with the provisions of the Trust Deed. They are supported by advisory groups addressing Finance, Buildings and Services, and Ministerial Selection. The scheme provides clarity to the roles respectively of the trustees as a body, and the Executive charged with the day-to-day responsibility of running the College.

Recruitment and induction

Trustees are recruited with the aim of balancing the need for continuity, commitment, experience and people skills, along with a suitable blend of gender, age and geographical representation. A representative Trustee nomination group holds informal conversations with leaders of the various Baptist associations and unions which support the College.

Trustees receive an induction into the work of the College by meeting the Chairman and Senior Staff and being advised of their general work, as well as receiving financial statements and other relevant documentation, including relevant Charity Commission publications. Training is provided as needed by appropriately skilled external trainers.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reference and administrative details

Name:

Cardiff Baptist College

Registered number:

525777

Registered office:

54 Richmond Road
Cardiff
CF24 3UR

Trustees:

Revd Rosa Hunt (co-Principal)
Revd Denzil John
Eirlys Jones (until October 2021)
Caren Fullerton
Cedric Longville
Revd Mark Thomas (Chairman)
Revd Emma Mohr
Paul Phillips (until August 2022)
Revd Timothy Moody

Key management personnel

Revd Dr. Rosa Hunt (Co-Principal)
Revd Dr. Ed Kaneen (Co-Principal)
Helen Ede (College Manager)

Principal bankers:

Lloyds Bank Plc
Roath Park Branch
Cardiff
CF10 2AG

Stockbrokers:

RBC Brewin Dolphin
2 Central Square
Cardiff
CF10 1FS

Auditors:

Azets Audit Services
Chartered Accountants & Statutory Auditors
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees report was approved by the Board of Trustees.

C Fullerton

Trustee

Dated: 28 June 2023

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Opinion

We have audited the financial statements of Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
 - sufficient accounting records have not been kept; or
 - the financial statements are not in agreement with the accounting records; or
 - we have not received all the information and explanations we require for our audit.
-

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Other matters

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

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

Use of our report

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

Azets Audit Services

29 June 2023

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds	Endowment funds	Total	As restated Unrestricted funds	Endowment funds	As restated Total
	Notes	2022	2022	2022	2021	2021	2021
		£	£	£	£	£	£
<u>Income and endowments from:</u>							
Donations and legacies	3	269,428	-	269,428	217,539	-	217,539
Charitable activities	4	240,235	-	240,235	161,091	-	161,091
Investments	5	62,161	-	62,161	47,678	-	47,678
Other income	6	4,022	-	4,022	3,479	-	3,479
Total income		575,846	-	575,846	429,787	-	429,787
<u>Expenditure on:</u>							
Raising funds	7	339	-	339	236	-	236
Charitable activities	8	433,379	-	433,379	325,185	-	325,185
Other	11	-	50	50	-	50	50
Total expenditure		433,718	50	433,768	325,421	50	325,471
Net gains/(losses) on investments	14	(37,109)	-	(37,109)	86,872	-	86,872
Net movement in funds		105,019	(50)	104,969	191,238	(50)	191,188
Fund balances at 1 September 2021		2,538,567	50	2,538,617	2,347,329	100	2,347,429
Fund balances at 31 August 2022		2,643,586	-	2,643,586	2,538,567	50	2,538,617

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

All income and expenditure derive from continuing activities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	15		623,856		638,035
Investment properties	16		1,210,000		1,210,000
Investments	17		469,885		500,104
			2,303,741		2,348,139
Current assets					
Debtors	18	11,859		11,037	
Cash at bank and in hand		453,242		297,625	
		465,101		308,662	
Creditors: amounts falling due within one year	19	(75,256)		(32,868)	
Net current assets			389,845		275,794
Total assets less current liabilities			2,693,586		2,623,933
Creditors: amounts falling due after more than one year	20		(50,000)		(85,316)
Net assets			2,643,586		2,538,617
Capital funds					
Endowment funds - general	22		-		50
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		2,163,859		2,047,937	
Revaluation reserve		479,727		490,630	
		2,643,586		2,538,567	
		2,643,586		2,538,617	

The financial statements were approved by the Trustees on 28 June 2023

C Fullerton
Trustee

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	29		100,346		(4,373)
Investing activities					
Increase in cash in portfolio		(8,960)		(507)	
Purchase of investments		(96,250)		(83,887)	
Proceeds on disposal of investments		98,320		78,348	
Investment income received		62,161		47,678	
Net cash generated from investing activities			55,271		41,632
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			155,617		37,259
Cash and cash equivalents at beginning of year			297,625		260,366
Cash and cash equivalents at end of year			453,242		297,625

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College is an unincorporated charity registered in England & Wales. Their registered office is 54 Richmond Road, Cardiff, CF24 3UR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Prior period error

The following prior period adjustments have been made:

DR other gains or losses £59,321

CR pension movement within charitable activities expenditure note 8: (£59,321)

DR rental income within charitable activities income note 4: £38,387

CR rental income within investments note 5: (£38,387)

DR wages and salaries costs within note 12: £20,294

CR social security costs within note 12: (£4,000)

CR other pension costs within note 12: (£16,294)

DR revaluation of investments note 14: £17,068

CR gains on sale of investments note 14: (£17,068)

DR revaluation reserve within the balance sheet and note 22: £399,611

CR unrestricted reserves within the balance sheet and note 22 (£399,611)

The adjustments have not impacted the results for the prior year or the overall reserves balance at the year end. The adjustments relate to reclassification between income and expenditure and balance sheet to balance sheet categories only.

1.3 Going concern

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors. See endowment funds note for such conditions.

1.5 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income is recognised on a receivable basis.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the society's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

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

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

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

Freehold land and buildings	2% on cost
-----------------------------	------------

Individual assets costing £1,000 or more are capitalised.

1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Investment properties were valued at market value on 17 March 2017 and was reflected as part of the transition to FRS 102. Trustees consider the market value at 17 March 2017 reflects the fair value of the properties at 31 August 2021 and 31 August 2022.

1.9 Fixed asset investments

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

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.11 Financial instruments

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

As a registered charity, Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

1.14 Retirement benefits

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

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	269,228	217,239
Legacies receivable	200	300
	<u>269,428</u>	<u>217,539</u>
Donations and gifts		
Church donations	22,383	20,388
Griffiths Trust	245,405	195,761
Personal	1,440	880
Other	-	210
	<u>269,228</u>	<u>217,239</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Charitable activities

	2022	As restated
	£	2021
		£
Partnership income	50,000	-
Rental income	44,995	26,546
Fees	145,240	134,545
	<u>240,235</u>	<u>161,091</u>

5 Investments

	Unrestricted funds	As restated
		Unrestricted funds
	2022	2021
	£	£
Rental income	50,866	38,387
Dividends	10,958	9,275
Interest receivable	337	16
	<u>62,161</u>	<u>47,678</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Sundry income	4,022	3,479
	<u>4,022</u>	<u>3,479</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Advertising	339	236
	<u>339</u>	<u>236</u>
	<u><u>339</u></u>	<u><u>236</u></u>

8 Charitable activities

	2022	As restated 2021
	£	£
Staff costs	196,578	186,557
Depreciation and impairment	14,179	14,179
Catering	3,477	1,332
Books	1,176	1,224
Library	5,236	6,012
Prizes	450	500
Pension Liability Interest Charge	1,612	1,908
Pension scheme liability released/ remeasurement (see note 26)	(89,915)	(59,321)
	<u>132,793</u>	<u>152,391</u>
Grant funding of activities (see note 9)	8,849	5,920
Share of support costs (see note 10)	287,063	162,344
Share of governance costs (see note 10)	4,674	4,530
	<u>433,379</u>	<u>325,185</u>
	<u><u>433,379</u></u>	<u><u>325,185</u></u>

9 Grants payable

	2022	2021
	£	£
Grants to individuals	8,849	5,920
	<u>8,849</u>	<u>5,920</u>
	<u><u>8,849</u></u>	<u><u>5,920</u></u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	57,099	-	57,099	59,838	59,838
Operating lease charges	935	-	935	1,848	1,848
Telephone	4,160	-	4,160	882	882
Printing & stationery	4,453	-	4,453	4,634	4,634
Heat, light and water	13,926	-	13,926	15,000	15,000
Cleaning	10,004	-	10,004	12,385	12,385
Insurance	13,522	-	13,522	13,038	13,038
Professional fees	27,684	-	27,684	12,118	12,118
Student Support costs and sundry costs	21,770	-	21,770	10,810	10,810
Amenities & training	401	-	401	165	165
Travel & conference expenses	12,284	-	12,284	1,499	1,499
Repairs and renewals	120,825	-	120,825	30,127	30,127
Audit fees	-	4,674	4,674	-	4,530
	<u>287,063</u>	<u>4,674</u>	<u>291,737</u>	<u>162,344</u>	<u>166,874</u>
Analysed between Charitable activities	<u>287,063</u>	<u>4,674</u>	<u>291,737</u>	<u>162,344</u>	<u>166,874</u>

Governance costs includes payments to the auditors of £4,674 (2021- £4,530) for audit fees.

11 Other

	Endowment funds general 2022	Endowment funds general 2021
Anne Rendell Prize Fund	<u>50</u>	<u>50</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year in respect of their roles as trustees.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Teaching staff	4	4
Administrative staff	4	4
	<u>8</u>	<u>8</u>

Employment costs	2022 £	As restated 2021 £
Wages and salaries	216,453	210,839
Social security costs	18,625	16,671
Other pension costs	18,599	18,885
	<u>253,677</u>	<u>246,395</u>

Key management personnel

The key management personnel of the charity who are noted in the trustees report received benefits (consisting of gross salary, employer's national insurance contributions and employer's pension contributions) totalling £122,270 (2021: £113,809).

There were no employees whose annual remuneration was £60,000 or more.

14 Net gains/(losses) on investments

	Unrestricted funds	As restated Unrestricted funds
	2022 £	2021 £
Revaluation of investments	(33,115)	69,804
Gain/(loss) on sale of investments	(3,994)	17,068
	<u>(37,109)</u>	<u>86,872</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15 Tangible fixed assets	Freehold land and buildings
	£
Deemed cost and cost	
At 1 September 2021	708,930
	<hr/>
At 31 August 2022	708,930
	<hr/>
Depreciation and impairment	
At 1 September 2021	70,895
Depreciation charged in the year	14,179
	<hr/>
At 31 August 2022	85,074
	<hr/>
Carrying amount	
At 31 August 2022	623,856
	<hr/> <hr/>
At 31 August 2021	638,035
	<hr/> <hr/>

The property was valued on 17 March 2017 by an independent valuation expert in accordance with RICS Valuation - Professional Standards 2014 UK. .

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

The historical cost of the property was £144,855.

16 Investment property	2022
	£
Fair value	
At 1 September 2021 and 31 August 2022	1,210,000
	<hr/> <hr/>

A review of the property portfolio took place in March 2017 and it was agreed that three of the four properties owned by the charity were in fact investment properties. All four properties were valued on 17 March 2017. Trustees consider the market value at that date reflects the fair value of the properties as at 31 August 2021 and 31 August 2022. The remaining fixed asset property is used for charitable purposes.

17 Fixed asset investments

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Fixed asset investments	(Continued)		
	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 September 2021	488,124	11,980	500,104
Additions	96,250	-	96,250
Valuation changes	(33,115)	-	(33,115)
Cash movement	-	8,830	8,830
Disposals	(102,184)	-	(102,184)
	<u>449,075</u>	<u>20,810</u>	<u>469,885</u>
At 31 August 2022	449,075	20,810	469,885
Carrying amount			
At 31 August 2022	<u>449,075</u>	<u>20,810</u>	<u>469,885</u>
At 31 August 2021	<u>488,124</u>	<u>11,980</u>	<u>500,104</u>
	<u>488,124</u>	<u>11,980</u>	<u>500,104</u>
18 Debtors		2022	2021
		£	£
Amounts falling due within one year:			
Prepayments and accrued income		11,859	11,037
		<u>11,859</u>	<u>11,037</u>
19 Creditors: amounts falling due within one year		2022	2021
	Notes	£	£
Other taxation and social security		11,749	5,821
Deferred income	21	50,000	-
Trade creditors		396	-
Accruals		13,111	27,047
		<u>75,256</u>	<u>32,868</u>
		<u>75,256</u>	<u>32,868</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Deferred income	21	50,000	-
Accruals		-	85,316
		<u>50,000</u>	<u>85,316</u>

Pension deficit contributions:

The company participates in a multi-employer pension scheme. The scheme is a defined benefit scheme in the UK. As it is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme it therefore has to account for the scheme as a defined contribution scheme.

The amount recognised in the financial statements is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. See note 26 for further details.

21 Deferred income

	2022 £	2021 £
Arising from income in advance	100,000	-
	<u>100,000</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Balance brought forward	-	-
Income received	100,000	-
Income released	-	-
	<u>100,000</u>	<u>-</u>
Balance carried forward	100,000	-

Deferred income relates to partnership income received in advance, relating to financial years ending 2023 and 2024.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 Endowment funds

	Balance at 1 September 2020		Movement in funds				Movement in funds				Balance at 31 August 2022		
	£	£	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	£	£
Anne Rendell	100	-	-	(50)	-	-	50	-	(50)	-	-	-	-
	100	-	-	(50)	-	-	50	-	(50)	-	-	-	-

The fund above relates to the provision of a prize to be awarded every year for 10 years for practical or personal encouragement of students.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 Revaluation reserve

The revaluation reserve relates to the charity's freehold building which was revalued on 17 March 2017.

	As restated		Movement in funds			Movement in funds			Balance at				
	Balance at 1 September 2020	£	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	As restated Balance at 1 September 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 August 2022	£
Fixed assets	501,533		-	-	(10,903)	-	490,630	-	-	(10,903)	-	479,727	
	501,533		-	-	(10,903)	-	490,630	-	-	(10,903)	-	479,727	

Transfer

The transfer relates to amounts transferred from the revaluation reserve to unrestricted funds consisting of the difference in the depreciation charge on the revalued property compared to if it was held at cost.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Analysis of net assets between funds

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:						
Tangible assets	623,856	-	623,856	638,035	-	638,035
Investment properties	1,210,000	-	1,210,000	1,210,000	-	1,210,000
Investments	469,885	-	469,885	500,104	-	500,104
Current assets/(liabilities)	389,845	-	389,845	275,744	50	275,794
Long term liabilities	(50,000)	-	(50,000)	(85,316)	-	(85,316)
	<u>2,643,586</u>	<u>-</u>	<u>2,643,586</u>	<u>2,538,567</u>	<u>50</u>	<u>2,538,617</u>

25 Operating lease commitments

Lessee

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

	2022 £	2021 £
Within one year	329	1,540
Between two and five years	585	-
	<u>914</u>	<u>1,540</u>

26 Events after the reporting date

It is the charity's plans to transfer the assets and the liabilities of the unincorporated charity into a charitable incorporated organisation during the financial year 2023/2024.

In readiness for this a charitable incorporated organisation was registered on 20 April 2022, charity number 1198671 and a resolution was passed on 25 April 2023 to proceed with the transfer.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

27 Pension Scheme

The College is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

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 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 contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Co-Principals and staff tutors are eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

27 Pension Scheme

(Continued)

Pension increases

- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme was due to take place by 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from colleges and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

At the end of June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. As a result, the Scheme no longer has a shortfall. A revised statement of contributions was announced in July 2022 with deficit contributions from each participating employer in the DB Plan reducing to just £1 per month from August 2022.

Reconciliation of Pension Liability

	2022	2021
Year Ending	£	£
Balance sheet liability at year start	107,447	167,079
Minus deficiency contributions paid	(19,144)	(17,181)
Interest cost (recognised in SoFA)	1,608	2,847
Deficiency liability released	(89,912)	-
Actuarial (gains)/losses on re-measurement of liability (recognised in SoFA)	-	(45,298)
Balance sheet liability at year end	-	107,447

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

28 Related party transactions

Transactions with related parties

Revd Rosa Hunt (Co-Principal) is an employee and an ex-officio trustee. The co-principal is not remunerated for her work as a trustee, and is not involved in decisions regarding their remuneration at board level

Employee benefits received by the individual (gross salary, employer's NIC and employer's pension contributions) totalled £29,823 (2021: £28,528). Pension contributions for the individual totalled £2,496 (2021: £2,403).

The legal authority under which the payment was made was relates to a provision in the governing document of the charity.

29 Cash generated from operations	2022	2021 as restated
	£	£
Surplus for the year	104,969	191,188
Adjustments for:		
Investment income recognised in statement of financial activities	(62,161)	(47,678)
Loss/(gain) on disposal of investments	3,994	(17,068)
Fair value gains and losses on investments	33,115	(69,804)
Depreciation and impairment of tangible fixed assets	14,179	14,179
Difference between pension charge and cash contributions	(107,447)	(74,594)
Movements in working capital:		
(Increase) in debtors	(822)	(206)
Increase/(decrease) in creditors	14,519	(390)
Increase in deferred income	100,000	-
Cash generated from/(absorbed by) operations	100,346	(4,373)

30 Analysis of changes in net funds

The charity had no debt during the year.

COLEG Y BEDYDDWYR CAERDYDD / CARDIFF BAPTIST COLLEGE

England & Wales - Charity number 525777

Accounts

Charity Registration No. 525777

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

I am delighted to present this summary on behalf of the Trustee Board at South Wales Baptist College.

While the world continued to adjust to the impact of the pandemic the College has been growing, with student numbers up on previous years and highly regarded formation training taking place across the board, in both English and Welsh, for more than one denomination. At the end of the academic year in June 2020, 4 students left the college and following the enrolment of 9 new students in September 2020, the student body stood at a total of 28.

With the initial 'lockdown' in 2020 came the immensely time-consuming challenges of taking all our teaching and training online and making all our communications digital. This continued throughout the majority of the year, with very occasional face-to-face contact taking place when the easing of lockdown restrictions permitted this. We have now returned to face-to-face contact but retained the daily prayers online which have become a valued connecting point for the College community. Staff remain enabled to work from home when necessary. We have continued with many simple adaptations to our buildings to ensure that those living in College rental accommodation, and those who need to work on site are able to do so safely, within Government and University guidelines.

It is a delight to report once again that the College is thriving despite the challenges for all, not least due to the extremely hard and creative work that the Principals, Tutors and Staff have undertaken these last 12 months, and the enthusiasm and flexibility that has been shown by the student body. Our co-Principals, Rev. Dr. Rosa Hunt and Rev. Dr. Ed Kaneen have demonstrated forward thinking, fruitful and encouraging leadership of the college, enthusiastically supported by their tutorial and staff colleagues.

At their April 2021 meeting the Board of Trustees were delighted to welcome Rev. Tim Moody, who had recently been a student at the College, as a new trustee. The appointment reflected the Board's ethos of identifying and appointing new trustees with the qualities, skills and experience required on the trustee body.

Towards the end of the year, the College adopted its new name - Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College. This followed discussion within the College, at Trustees Meetings and with wider groups with an interest in the work and mission of the College. The new name reflects the College's physical location, bilingual working and links with Cardiff University, but also its reach in serving students and Churches from all parts of Wales, and not just South Wales. Over the next year all aspects of the College's communications and day to day administration will change to reflect the new name.

Financially, for 2020-21, the College's financial position improved, and we ended the year with an unrestricted surplus of £45,045. The significant loss of rental income from office space was sustained for a further year, but residential rental income began to recover as new tenants joined our community. Work continued exploring options for the long-term future of the College's buildings, including redevelopment options for the site. Following improvements in the utilisation of the building, the outlook for the future of the site without major re-development is now very positive. The overall value of our investment portfolio recovered to pre-pandemic levels.

As the impact on finances of the second year of the pandemic were broadly neutral, once again no additional financial support (from the Welsh Government or the Wales Council for Voluntary Action) was sought.

Responding to changing patterns of ministerial training and formation the College launched a more flexible training pathway in September 2018; and staff have worked hard to deliver the third year of the new three-year pattern of training during 2020-21.

Students from the College have continued to serve churches across Wales in preaching, pastoral and missional tasks; and in addition to the total provision of College facilities, students are supported by individual bursaries where appropriate.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

During this past year, the College's permanent teaching staff, Rev. Dr. Ed Kaneen, Rev. Dr. Rosa Hunt, Rev. Dr. Craig Gardiner, and Rev. Dr. Stephen Roberts, have provided teaching and pastoral support to students at the College preparing for various forms of ministry. They have continued to serve as Honorary Lecturers at Cardiff University; a role which involves delivering a range of undergraduate and postgraduate modules for both College and University students. The College's tutors make a significant contribution to the work of Cardiff University by teaching students on the BA in Religion and Theology; and they enjoy positive working relationships with colleagues in the Department of Religion and Theology. The College has continued to benefit from the expertise in Old Testament Studies provided by an Associate Tutor, the Rev. Dr. Kofi Amisah, who has also shared in the work of delivering modules at the University. The College has also benefitted this year from the teaching provided by the Rev. Dr. Helen Dare, who delivered two modules on Biblical Studies for College and University students. Rev. Dr. Ed Kaneen has represented the College on the Cardiff University Council and continues to serve as Programme Convener for Theology for the School of History, Archaeology and Religion. Both Rev. Dr. Ed Kaneen and Rev. Dr. Stephen Roberts represent the College on the various Boards of Studies and other committees.

We continued to benefit enormously from the administrative work and backroom support offered to both the academic staff and the students. Our Resource Manager, Mr. Martyn Moss retired at the end of 2020, and we are thankful to Martyn for his contribution to the work of the College and to College life over many years. Likewise, in August 2021, Mrs Anita Monks retired after ten years of much valued service. In anticipation of Martyn's retirement, we appointed Mrs Helen Ede as College Manager, to take up post from September 2020, and subsequently Mr Robert Whitehouse as Site Manager. This part-time role oversees care, maintenance and security of the college buildings and plant. Our wider team was completed by our Librarian Anna Smith.

The College hosted its annual Whitley Lecture, a national public lecture on the 26th March 2021. This year's lecture was delivered by the Rev. Dr David McLachlan, who explored the theme 'Does this Cross have Disabled Access?' and, along with Rev. Dr Martin Hobgen, led a seminar on disability and the church. We are grateful to both speakers for their input which provoked stimulating discussion.

The College continues to relate well with its wider constituency, through its links with many local Churches, the Associations and the Baptist Unions of Wales and of Great Britain – as well as the Presbyterian Church in Wales. Alongside its work with ministerial students the College also offers an access-level course, Pathways, which is designed for local church leaders and members. It is overseen by an Associate Tutor, Rev. Jon Davis, and it is good to report that the numbers of people participating in the Pathways course have continued to grow during the last year. Another Associate Tutor, Rev. Dr. Graham Watts, has provided valuable service this year in overseeing the learning contracts which the College provides for Newly Accredited Baptist Ministers.

The College's website and the annual newsletter have continued to serve as valuable ways of communicating with the churches.

With the exception of the Co-Principal, who acts ex officio, all Trustees give their time voluntarily and receive no financial benefits from the College. The Trustee Board is served admirably well by a widely diverse and gifted group of individuals who freely give of their time and expertise to the role and I am, once again, indebted to them for their willingness to serve on the Board.



Chair of Trustees
Dated: 30th May 2022

COLEG Y Bedyddwyr Caerdydd/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

On 13 July 2021 the charity formally changed its name from South Wales Baptist College to Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the College are:

- the advancement of the Christian Religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices and in particular the training of students for ministry amongst the Baptist churches.
- to provide education, training, vocational preparation and support to Christians for mission and ministry.

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The South Wales Baptist College's charitable purpose is enshrined in its objectives listed above. The charity delivers its public benefit through its work with a wide range of external organisations.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The College reported an unrestricted surplus for the year of £45,045 (2020 – deficit £39,048) before taking into account movements on its investment portfolio and movement in its pension scheme liability. The College reported a surplus during the year on its investment portfolio of £86,872 (2020 - £21,577 deficit). The College remains a long term investor and will continue to manage its investments accordingly.

The trustees will continue to manage the financial position of the College on a prudent basis, and consider the College's activities to be on a sound financial basis.

The charity has unrestricted reserves, excluding those held as tangible fixed assets, investment properties and endowment funds, of £690,532 at 31 August 2021 (2020: £485,115). This balance represents the charity's free reserves.

Reserves Policy

It is the policy of the trustees to ensure that the College maintains sufficient free reserves to enable it to fulfil its obligations to complete the training of those students to whom it has made training commitments at the date of the balance sheet. Based on the budget for the financial year, this would require free reserves amounting to nearly £400,000, after making allowance for revenue that could be earned in that period.

Free reserves at the Balance Sheet date totalled £690,532.

The trustees will continue to manage the College's financial affairs on a prudent basis, with the objective of strengthening the free reserves position. Allowing for the nature of the pension deficiency provision and the wider asset position, the Trustees consider the reserves position to be satisfactory.

Investment Policy

The Trustees have adopted a formal investment policy that defines both acceptable risk levels, and a medium term required rate of return. The rate of return objective is 5% whilst at least maintaining the long term purchasing power of capital against inflation.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees noted that investment surplus during the period totalled £86,872 and investment income amounted to £9,275. This gave a total gain of £96,147 on investments totalling £500,104 at the end of the year.

The investments are managed within ethical guidelines set down by the Trustees. Within the investment strategy, the investment managers have discretion over particular investments. Details of the investments are set out in the notes to the financial statements.

The investment managers are Brewin Dolphin.

The charity also holds three investment properties which were valued on 17 March 2017. The Trustees consider the market value at 17 March 2017 reflects their fair value at 31 August 2020 and 31 August 2021.

Risk Review

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity maintains a risk register and the trustees review at least annually the main strategic, business and operational risks which the charity faces. The trustees have established systems and controls to mitigate against major risks to which the College is exposed. Any activity with a high residual risk is monitored and appropriate action implemented to bring within acceptable levels wherever possible.

Other policies are also in place in relation to health and safety, governance and management.

Major Risks

Under normal circumstances, the risks of the charitable company are mitigated to an acceptable level in day-to-day operations. A financial risk assessment has been made, along with an organisational risk assessment in the College's approach to budget setting for future years. The trustees consider their main risks are their relationship with key funders and stakeholders, the ongoing impacts of the Covid pandemic, and their ability to deliver a successful, timely outcome to the review of options for the premises.

Plans for future periods

- Run residential retreats for students and staff. This model will be kept under review in light of changing circumstances due to Covid. A Covid-safe alternative will be arranged if necessary.
- Run a Discernment Day for people exploring a call to ordained ministry and for those interested in courses of theological education.
- Review the new training pathway and recruit students for September 2022 intake.
- Re-visit the review of the College's premises in the light of changing circumstances.
- Integrate new trustees and continue building a healthy and diverse trustee body.
- Continue to develop detailed plans for changing the status of the College to a Charitable Incorporated Organisation.
- Work through the renewal of the College's formal academic partnership with Cardiff University which needed to be in place in time for the Academic Year 2021-22.
- Plan for the management of and teaching provision for the MTh Theology beyond September 2021 when St Padarn's Institute will cease to be part of the Collaborative Partnership with Cardiff University.
- Liaise with Cardiff University over new modules for the Academic Year 2022-2023.
- Participate in Baptist discussions about changing patterns of ministerial training and formation.
- Contribute to discussions about the funding of training Baptist ministers.
- Continue to develop healthy working relationships with other denominations in Wales.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

Constitution

The College was founded in 1807, and operates under a governing document which is the Charity Commission Scheme that came into effect on 28 October 2009. South Wales Baptist College is registered as an unincorporated charity.

The Board of Trustees

The trustees exercise the powers of the charity in accordance with the Charity Commission Scheme.

Key Management Personnel remuneration

Our key management personnel are the trustees of the charity, as detailed within the trustees report, including the co-Principals of the College, Rev. Rosa Hunt and Rev. Ed Kaneen.

Setting pay and other remuneration is ultimately the responsibility of the Trustees, on the advice of the Officers of the College who comprise the Chair (Rev. Mark Thomas), co-Principals (Rev. Rosa Hunt and Rev. Ed Kaneen) and Treasurer (Caren Fullerton). The co-Principals do not participate, either at officer or trustee level, in decisions concerning their remuneration.

Remuneration decisions are taken in the light of relevant benchmarks, including stipend levels set by the Baptist Union of Great Britain, Cardiff University lecturer pay scales, and local conditions.

Governing document

The College operates under the provisions of the Charity Commission Scheme. The trustees are responsible for the overall direction of the charity, and for ensuring that it acts in accordance with the provisions of the Trust Deed. They are supported by advisory groups addressing Finance, Buildings and Services, and Ministerial Selection. The scheme provides clarity to the roles respectively of the trustees as a body, and the Executive charged with the day to day responsibility of running the College.

Recruitment and induction

Trustees are recruited with the aim of balancing the need for continuity, commitment, experience and people skills, along with a suitable blend of gender, age and geographical representation. A representative trustee nomination group holds informal conversations with leaders of the various Baptist associations and unions which support the College.

Trustees receive an induction into the work of the College by meeting the Chairman and Senior Staff and being advised of their general work, as well as receiving financial statements and other relevant documentation, including relevant Charity Commission publications. Training is provided as needed by appropriately skilled external trainers.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reference and administrative details

Name:

Cardiff Baptist College

Registered number:

525777

Registered office:

54 Richmond Road
Cardiff
CF24 3UR

Trustees:

Revd Rosa Hunt (co-Principal)
Revd Denzil John
Eirlys Jones
Caren Fullerton
Cedric Longville
Revd Mark Thomas (Chairman)
Revd Emma Mohr
Paul Phillips
Revd Timothy Moody - appointed 19 April 2021

Key management personnel

Revd Dr. Rosa Hunt (Co-Principal)
Revd Dr. Ed Kaneen (Co-Principal)
Helen Ede (College Manager) - appointed 14 September 2020

Principal bankers:

Lloyds Bank Plc
Roath Park Branch
Cardiff
CF10 2AG

Stockbrokers:

Brewin Dolphin Limited
5 Callaghan Square
Cardiff
CF10 5BT

Auditors:

Azets Audit Services
Chartered Accountants & Statutory Auditors
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees report was approved by the Board of Trustees.



C Fullerton

Trustee

Dated: 30th May 2022

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Opinion

We have audited the financial statements of Coleg y Bedyddwyr Caerdydd/Cardiff Baptist College (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other matters

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

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

Use of our report

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



Azets Audit Services

.....09-06-2022

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations and legacies	3	217,539	-	217,539	214,347	-	214,347
Charitable activities	4	199,478	-	199,478	192,782	-	192,782
Investments	5	9,291	-	9,291	11,431	-	11,431
Other income	6	3,479	-	3,479	2,610	-	2,610
Total income		429,787	-	429,787	421,170	-	421,170
<u>Expenditure on:</u>							
Raising funds	7	236	-	236	72	-	72
Charitable activities	8	384,506	-	384,506	460,146	-	460,146
Other	13	-	50	50	-	50	50
Total resources expended		384,742	50	384,792	460,218	50	460,268
Net gains/(losses) on investments	14	86,872	-	86,872	(21,577)	-	(21,577)
Net incoming/(outgoing) resources		131,917	(50)	131,867	(60,625)	(50)	(60,675)
<u>Other recognised gains and losses</u>							
Other gains or losses	15	59,321	-	59,321	3,236	-	3,236
Net movement in funds		191,238	(50)	191,188	(57,389)	(50)	(57,439)
Fund balances at 1 September 2020		2,347,329	100	2,347,429	2,404,718	150	2,404,868
Fund balances at 31 August 2021		2,538,567	50	2,538,617	2,347,329	100	2,347,429

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

All income and expenditure derive from continuing activities.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	16		638,035		652,214
Investment properties	17		1,210,000		1,210,000
Investments	18		500,104		407,186
			<u>2,348,139</u>		<u>2,269,400</u>
Current assets					
Debtors	19	11,037		10,831	
Cash at bank and in hand		297,625		260,366	
			<u>308,662</u>		<u>271,197</u>
Creditors: amounts falling due within one year	20	(32,868)		(26,089)	
Net current assets			<u>275,794</u>		<u>245,108</u>
Total assets less current liabilities			<u>2,623,933</u>		<u>2,514,508</u>
Creditors: amounts falling due after more than one year	21		(85,316)		(167,079)
Net assets			<u><u>2,538,617</u></u>		<u><u>2,347,429</u></u>
Capital funds					
Endowment funds - general	22		50		100
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		1,648,326		1,446,185	
Revaluation reserve		890,241		901,144	
			<u>2,538,567</u>		<u>2,347,329</u>
			<u><u>2,538,617</u></u>		<u><u>2,347,429</u></u>

The financial statements were approved by the Trustees on 30th May 2022


 C Fullerton
 Trustee

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		34,014		(64,455)
Investing activities					
Purchase of investments		(83,887)		(91,193)	
Proceeds on disposal of investments		77,841		83,485	
Investment income received		9,291		11,431	
Net cash generated from investing activities			3,245		3,723
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			37,259		(60,732)
Cash and cash equivalents at beginning of year			260,366		321,098
Cash and cash equivalents at end of year			297,625		260,366

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

South Wales Baptist College is an unincorporated charity registered in England & Wales. Their registered office is 54 Richmond Road, Cardiff, CF24 3UR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity reported an unrestricted net inflow of £191,238 for the year on unrestricted reserves after gains on investments and movement in its pension liability. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the society's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

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

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% on cost
-----------------------------	------------

Individual assets costing £1,000 or more are capitalised.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Investment properties were valued at market value on 17 March 2017 and was reflected as part of the transition to FRS 102. Trustees consider the market value at 17 March 2017 reflects the fair value of the properties at 31 August 2020 and 31 August 2021.

1.8 Fixed asset investments

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

As a registered charity, South Wales Baptist College is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.11 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.

1.12 Retirement benefits

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

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	217,239	213,047
Legacies receivable	300	1,300
	<u>217,539</u>	<u>214,347</u>
Donations and gifts		
Church donations	20,388	17,788
Griffiths Trust	195,761	193,924
Personal	880	1,234
Other	210	101
	<u>217,239</u>	<u>213,047</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Charitable activities

	2021 £	2020 £
Rental income	64,933	88,493
Fees	134,545	104,289
	<u>199,478</u>	<u>192,782</u>

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Dividends	9,275	10,607
Interest receivable	16	824
	<u>9,291</u>	<u>11,431</u>

6 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Sundry income	3,479	2,610
	<u>3,479</u>	<u>2,610</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Advertising	236	72
	<u>236</u>	<u>72</u>

8 Charitable activities

	2021	2020
	£	£
Staff costs	186,557	222,814
Depreciation and impairment	14,179	14,179
Catering	1,332	3,380
Student support costs	-	110
Books	1,224	2,358
Library	6,012	7,924
Prizes	500	400
Pension Liability Interest Charge	1,908	3,958
	<u>211,712</u>	<u>255,123</u>
Grant funding of activities (see note 9)	5,920	11,044
Share of support costs (see note 10)	162,344	189,779
Share of governance costs (see note 10)	4,530	4,200
	<u>384,506</u>	<u>460,146</u>

9 Grants payable

	2021	2020
	£	£
Grants to individuals	5,920	11,044
	<u>5,920</u>	<u>11,044</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	59,838	-	59,838	41,063	-	41,063
Operating lease charges	1,848	-	1,848	1,888	-	1,888
Telephone	882	-	882	832	-	832
Printing & stationery	4,634	-	4,634	4,583	-	4,583
Heat, light and water	15,000	-	15,000	19,495	-	19,495
Cleaning	12,385	-	12,385	18,086	-	18,086
Insurance	13,038	-	13,038	12,934	-	12,934
Professional fees	12,118	-	12,118	8,933	-	8,933
Sundry	10,810	-	10,810	14,403	-	14,403
Amenities & training	165	-	165	8,387	-	8,387
Travel & conference expenses	1,499	-	1,499	3,955	-	3,955
Repairs and renewals	30,127	-	30,127	55,220	-	55,220
Audit fees	-	4,530	4,530	-	4,200	4,200
	<u>162,344</u>	<u>4,530</u>	<u>166,874</u>	<u>189,779</u>	<u>4,200</u>	<u>193,979</u>
Analysed between						
Charitable activities	<u>162,344</u>	<u>4,530</u>	<u>166,874</u>	<u>189,779</u>	<u>4,200</u>	<u>193,979</u>

Governance costs includes payments to the auditors of £4,530 (2020- £4,200) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching staff	4	4
Administrative staff	4	3
	<u>8</u>	<u>7</u>

Employment costs

	2021 £	2020 £
Wages and salaries	190,545	209,820
Social security costs	20,671	21,132
Other pension costs	35,179	32,925
	<u>246,395</u>	<u>263,877</u>

Key management personnel

The key management personnel of the charity who are noted in the trustees report received benefits (consisting of gross salary, employers national insurance contributions and employers pension contributions) totalling £113,809 (2020: £98,395).

There were no employees whose annual remuneration was £60,000 or more.

13 Other

	Endowment funds general 2021	Endowment funds general 2020
Anne Rendell Prize Fund	50	50
	<u>50</u>	<u>50</u>

14 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	86,872	(21,577)
	<u>86,872</u>	<u>(21,577)</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Other gains or losses

Unrestricted funds	Unrestricted funds
2021	2020
£	£

Gain on pension scheme	(59,321)	(3,236)
------------------------	----------	---------

16 Tangible fixed assets

Freehold land and buildings
£

Cost

At 1 September 2020	708,930
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At 31 August 2021	708,930
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Depreciation and impairment

At 1 September 2020	56,716
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Depreciation charged in the year	14,179
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At 31 August 2021	70,895
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Carrying amount

At 31 August 2021	638,035
-------------------	---------

At 31 August 2020	652,214
-------------------	---------

A review of the property portfolio took place in March 2017 and it was agreed that three of the four properties owned by the charity were in fact investment properties. All four properties were valued on 17 March 2017. Trustees consider the market value at that date reflects the fair value of the properties as at 31 August 2020 and 31 August 2021. The remaining fixed asset property is used for charitable purposes.

The historical cost of this property is £144,855.

17 Investment property

2021

£

Fair value

At 1 September 2020 and 31 August 2021	1,210,000
--	-----------

A review of the property portfolio took place in March 2017 and it was agreed that three of the four properties owned by the charity were in fact investment properties. All four properties were valued on 17 March 2017. Trustees consider the market value at that date reflects the fair value of the properties as at 31 August 2020 and 31 August 2021. The remaining fixed asset property is used for charitable purposes.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Investment property

(Continued)

18 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 September 2020	395,852	11,334	407,186
Additions	83,887	(83,887)	-
Valuation changes	86,872	-	86,872
Cash movement	-	6,046	6,046
Disposals	(78,487)	78,487	-
At 31 August 2021	<u>488,124</u>	<u>11,980</u>	<u>500,104</u>
Carrying amount			
At 31 August 2021	<u>488,124</u>	<u>11,980</u>	<u>500,104</u>
At 31 August 2020	<u>395,852</u>	<u>11,334</u>	<u>407,186</u>

19 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Prepayments and accrued income	<u>11,037</u>	<u>10,831</u>

20 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	5,821	5,005
Accruals and deferred income	27,047	21,084
	<u>32,868</u>	<u>26,089</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Accruals and deferred income	85,316	167,079

Pension deficit contributions:

The company participates in a multi-employer pension scheme. The scheme is a defined benefit scheme in the UK. As it is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme it therefore has to account for the scheme as a defined contribution scheme.

The amount recognised in the financial statements is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. See note 25 for further details.

The amounts repayable are as follows:

	2021	2020
	£	£
Repayable within two and five years	85,045	79,465
Repayable in more than five years	<u>271</u>	<u>87,614</u>
	<u>85,316</u>	<u>167,079</u>

COLEG Y Bedyddwyr Caerdydd/Cardiff Baptist College

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 September 2019 £	Movement in funds				Balance at 1 September 2020 £	Movement in funds				Balance at 31 August 2021 £	
		Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £		Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £		
Permanent endowments												
Anne Rendell	150	-	(50)	-	-	100	-	(50)	-	-	-	50
	150	-	(50)	-	-	100	-	(50)	-	-	-	50

Anne Rendell Prize Fund

The provision of a prize to be awarded every year for 10 years for practical or personal encouragement of students.

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2019	Resources expended	Balance at 1 September 2020	Movement in funds Incoming resources	Balance at 31 August 2021
	£	£	£	£	£
Pension Scheme Gift	16,666	(16,666)	-	-	-
	<u>16,666</u>	<u>(16,666)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The trustees agreed to designate additional voluntary payments to the Pension Scheme of £50,000. The final payment was made in 2019/20.

24 Analysis of net assets between funds

	Unrestricted funds 2021	Endowment funds 2021	Total 2021	Unrestricted funds 2020	Endowment funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 August 2021 are represented by:						
Tangible assets	638,035	-	638,035	652,214	-	652,214
Investment properties	1,210,000	-	1,210,000	1,210,000	-	1,210,000
Investments	500,104	-	500,104	407,186	-	407,186
Current assets/ (liabilities)	275,744	50	275,794	245,008	100	245,108
Long term liabilities	(85,316)	-	(85,316)	(167,079)	-	(167,079)
	<u>2,538,567</u>	<u>50</u>	<u>2,538,617</u>	<u>2,347,329</u>	<u>100</u>	<u>2,347,429</u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Pension Scheme

The College is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

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 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 contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Principal and staff tutors are eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Pension Scheme

(Continued)

Pension increases

- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from colleges and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 August 2021	31 August 2020
Balance sheet liability at year start	£182,041	£205,309
Minus deficiency contributions paid	-£17,181	-£18,491
Interest cost (recognised in SoFA)	£1,908	£2,745
Remaining change to balance sheet liability* (recognised in SoFA)	-£59,320	-£7,523
Balance sheet liability at year end	£107,447	£182,041

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31 August 2021	31 August 2020	31 August 2019
Discount rate	0.9%	1.1%	1.4%
Future increases to Minimum Pensionable Income	3.6%	3.1%	3.4%

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Related party transactions

Transactions with related parties

Denzil John (trustee) is also a trustee of the Living Room charity which was a tenant of the College. The College recognised £nil of rental income this year (2020: £15,553) from the Living Room.

Revd Rosa Hunt (Co-Principal) is an employee and an ex-officio trustee. The co-principal is not remunerated for her work as a trustee, and is not involved in decisions regarding their remuneration at board level.

27 Operating lease commitments

Lessee

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

	2021 £	2020 £
Within one year	1,540	1,848
Between two and five years	-	1,540
	<u>1,540</u>	<u>3,388</u>

28 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	131,867	(60,675)
Adjustments for:		
Investment income recognised in statement of financial activities	(9,291)	(11,431)
Pension scheme gains and losses	59,321	3,236
Fair value gains and losses on investments	(86,872)	21,577
Depreciation and impairment of tangible fixed assets	14,179	14,179
Difference between pension charge and cash contributions	(74,594)	(17,768)
Movements in working capital:		
(Increase)/decrease in debtors	(206)	786
(Decrease)/increase in creditors	(390)	1,194
(Decrease) in deferred income	-	(15,553)
Cash generated from/(absorbed by) operations	<u><u>34,014</u></u>	<u><u>(64,455)</u></u>

COLEG Y BEDYDDWYR CAERDYDD/CARDIFF BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

29 Analysis of changes in net funds

The charity had no debt during the year.

Accounts

Charity Registration No. 525777

SOUTH WALES BAPTIST COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

SOUTH WALES BAPTIST COLLEGE

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SOUTH WALES BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

It is my privilege to present this summary on behalf of the Trustee Board at South Wales Baptist College.

What a year! The world, the UK, the church and the College have had a year unlike any other. Everything looks different now, as most of it is viewed via a computer screen where Zoom, Google Meet and Microsoft Teams have become default settings.

When the world turned upside down the College was thriving, with student numbers up on previous years and highly regarded formation training taking place across the board, in both English and Welsh, for more than one denomination. At the end of the academic year in June 2020, 4 students left the college and following the enrolment of 9 new students in September 2020, the student body stands at a total of 26.

With 'lockdown' came the immensely time-consuming yet innovative task of taking all our teaching and training online and all our communication digital. This has mostly continued throughout the year, with very occasional face-to-face contact taking place when the easing of lockdown restrictions has permitted.

This has been a significant year of change for the College with the retirement of our Principal, Rev. Dr. Peter Stevenson at the end of December 2019. His leadership of the College has been deeply appreciated, with the development of new courses and teaching pathways, and a strengthening of the relationship with Cardiff University under his guidance. Staff, present and former students, along with the Board recorded their thanks to him for his careful and diligent work. Our new co-Principals Rev. Dr. Rosa Hunt and Rev. Dr. Ed Kaneen formally took up their posts in September 2019. Under our governing document a college Principal can occupy the single position of ex-officio trustee. The ex-officio trustee is currently Rev. Dr. Rosa Hunt. In addition to the appointment of new co-Principals, staffing at the College was strengthened from the start of the year by the permanent appointment of Rev. Dr. Stephen Roberts as Tutor in Practical Theology and Mission, and Anna Smith as part-time Librarian.

It is a delight to report that the College has continued to thrive despite the challenges, not least due to the extremely hard and creative work that the Principals, Tutors and Staff have undertaken these last 12 months, and the enthusiasm and flexibility that has been shown by the student body. Indeed, in the first full year since being appointed co-Principals, Rev. Dr. Rosa Hunt and Rev. Dr. Ed Kaneen have demonstrated clear, creative and calming leadership of the college, enthusiastically supported by their tutorial and staff colleagues.

During the year there were also changes to the make-up of the Trustees Board. Rev. Marc Owen stood down as Chair of Trustees and Trustee in July 2019. Another Trustee, Rev. Sue Phillips took over as interim Chair from July to October 2019 until Rev. Mark Thomas joined as Trustee and was appointed as the new Chair of Trustees in October 2019. Mr Tom Bourne who had served the Board faithfully over many years as lead Trustee for property matters felt now was the right time to retire. Rev. Sue Phillips and Rev. Nick Bradshaw, who had served as Trustee while a regional Minister at the South Wales Baptist Association, both stepped down as Trustees after many years of faithful service. The Board is grateful to Marc, Tom, Sue and Nick for their service and support for the College over many years. The Board continues to have a strong ethos in rightly identifying potential new trustees and, following careful consideration about the qualities, skills and experience required on the trustee body, the Board welcomed Rev. Emma Mohr (from October 2019) and Mr Paul Phillips (from January 2020).

The onset of the Covid-19 pandemic in March 2020 had a significant impact during the latter part of the year. The College was able to adapt rapidly and maintain continuity by delivering teaching online, enabling staff to work from home wherever possible, and making simple adaptations to College buildings to ensure that those living in College rental accommodation, and those who did need to work on site were able to do so safely, within Government and University guidelines. Nevertheless these changes increased demands on the staff of the College, and on students.

SOUTH WALES BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Financially, for 2019-20, the impacts have not been as significant as those on operations. While the College ended the year in deficit, this was in line with expectations at the start of the year. The significant loss of rental income as tenants vacated office space, was known before the Covid pandemic. While the overall value of our investment portfolio was badly affected by declining stock market values, investment related income, which depends mostly on previous years' stock market performance was above budget. The main unexpected negative impacts were reduced donation income and a forced pause in our efforts to find tenants for vacant space at the College. On the latter, work has now re-started to explore some long-term, sustainable options for the vacant space and the site as a whole.

The College was able to make use of the UK Government's furlough scheme for one member of administrative staff, and there were some minor positive financial impacts as our Pension Scheme gave members a 6 month reduction in deficit contributions and utility costs were a little lower than budgeted.

As the impact on finances was broadly neutral, no additional support (from the Welsh Government or the Wales Council for Voluntary Action) was sought for 2019-20. This position might change for future years, once longer-term impacts become clearer.

Responding to changing patterns of ministerial training and formation the College launched a more flexible training pathway in September 2018; and staff have worked hard to deliver the second year of the new three-year pattern of training during 2019-2020.

Students from the College have continued to serve churches across Wales in preaching, pastoral and missional tasks; and in addition to the total provision of College facilities, students are supported by individual bursaries where appropriate.

During this past year, the College's permanent teaching staff, Rev. Dr. Ed Kaneen, Rev. Dr. Rosa Hunt, Rev. Dr. Craig Gardner and Rev. Dr. Stephen Roberts, have provided teaching and pastoral support to students at the College preparing for various forms of ministry. They have continued to serve as Honorary Lecturers at Cardiff University; a role which involves delivering a range of undergraduate and postgraduate modules for both College and University students. The College's tutors make a significant contribution to the work of Cardiff University by teaching students on the BA in Religion and Theology; and they enjoy positive working relationships with colleagues in the Department of Religion and Theology. In addition, the College has continued to benefit from the expertise in Old Testament Studies provided by an Associate Tutor, the Rev. Dr. Kofi Amisah, who has also shared in the work of delivering modules at the University. The College has also benefitted this year from the teaching provided by the Rev. Dr. Graham Watts, who delivered a module on Christian Doctrine for students on the Certificate/Diploma course. Rev. Dr. Ed Kaneen has represented the College on the Cardiff University Council and been appointed as Programme Convener for Theology for the School of History, Archaeology and Religion. Both Rev. Dr. Ed Kaneen and Rev. Dr. Stephen Roberts represent the College on the various Boards of Studies and other committees.

We continued to benefit enormously from the administrative work and backroom support offered to both the academic staff and the students by our Resource Manager, Mr. Martyn Moss, his assistant, Mrs. Anita Monks, and our Librarian Anna Smith. In anticipation of Martyn's retirement at the end of 2020, towards the end of the academic year we appointed Mrs Helen Ede as College Manager, to take up post from September 2020, and subsequently Mr Robert Whitehouse as Site Manager. This part-time role will oversee care, maintenance and security of the college buildings and plant.

The College hosted two special public lectures during the past year. On the 6th March 2020, this year's Whitley Lecture was delivered by the Rev. Robert Parkinson, minister of Didsbury Park Baptist Church, who explored the theme 'The Baptist Encounter with Judaism'. The College's annual Edwin Stephen Griffiths' lecture, 'Proclamation in the Time of Covid', was delivered online as a brief talk by the Rev. Rob Beamish, Minister of Princes' Drive Baptist Church, Colwyn Bay with follow up discussion on 5th June. We are grateful to both speakers for their input which provoked stimulating discussion.

SOUTH WALES BAPTIST COLLEGE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

The College continues to relate well with its wider constituency, through its links with many local Churches, the Associations and the Baptist Unions of Wales and of Great Britain – as well as the Presbyterian Church in Wales. Alongside its work with ministerial students the College also offers an access-level course, Pathways, which is designed for local church leaders and members. It is overseen by an Associate Tutor, Rev. Jon Davis, and it is good to report that the numbers of people participating in the Pathways course have continued to grow during the last year. Another Associate Tutor, Rev. Dr. Graham Watts, has provided valuable service this year in overseeing the learning contracts which the College provides for Newly Accredited Baptist Ministers.

The College's website and the annual newsletter have continued to serve as valuable ways of communicating with the churches.

With the exception of the co-Principal, who acts ex officio, all Trustees give their time voluntarily and receive no financial benefits from the College. The Trustee Board is served admirably well by a widely diverse and gifted group of individuals who freely give of their time and expertise to the role and I am, once again, indebted to them for their willingness to serve on the Board.



pp Chair of Trustees
Dated: 18th May 2021

SOUTH WALES BAPTIST COLLEGE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the College are:

- the advancement of the Christian Religion in accordance with the beliefs and practices of Baptists and the interpretation of such beliefs and practices and in particular the training of students for ministry amongst the Baptist churches.
- to provide education, training, vocational preparation and support to Christians for mission and ministry.

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The South Wales Baptist College's charitable purpose is enshrined in its objectives listed above. The charity delivers its public benefit through its work with a wide range of external organisations.

Financial review

The College reported an unrestricted deficit for the year of £39,048 (2019 – surplus £195,808 which included proceeds from the sale of Baptist Chapel donated to the charity) before taking into account movements on its investment portfolio and movement in its pension scheme liability. The College reported a loss during the year on its investment portfolio of £21,577 (2019 - £13,771 loss). The College remains a long term investor and will continue to manage its investments accordingly.

The trustees will continue to manage the financial position of the College on a prudent basis, and consider the College's activities to be on a sound financial basis.

The charity has unrestricted reserves, excluding those held as tangible fixed assets, investment properties and endowment funds, of £485,115 at 31 August 2020 (2019: £528,325). The trustees have also designated funds of £nil (2019: £16,666). Its free reserves are therefore £485,115 (2019: £511,659).

Reserves Policy

It is the policy of the trustees to ensure that the College maintains sufficient free reserves to enable it to fulfil its obligations to complete the training of those students to whom it has made training commitments at the date of the balance sheet. Based on the budget for the financial year, this would require free reserves amounting to an estimated £385,720, after making allowance for revenue that could be earned in that period.

Free reserves at the Balance Sheet date totalled £485,115.

The trustees will continue to manage the College's financial affairs on a prudent basis, with the objective of strengthening the free reserves position. Allowing for the nature of the pension deficiency provision and the wider asset position, the Trustees consider the reserves position to be satisfactory.

Investment Policy

The Trustees have adopted a formal investment policy that defines both acceptable risk levels, and a medium term required rate of return. The rate of return objective is 5% whilst at least maintaining the long term purchasing power of capital against inflation.

SOUTH WALES BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees noted that investment losses during the period totalled £21,577 and investment income amounted to £10,607. This gave a total loss of £10,970 on investments totalling £407,186 at the end of the year.

The investments are managed within ethical guidelines set down by the Trustees. Within the investment strategy, the investment managers have discretion over particular investments. Details of the investments are set out in the notes to the financial statements.

The investment managers are Brewin Dolphin.

The charity also holds three investment properties which were valued on 17 March 2017. The Trustees consider the market value at 17 March 2017 reflects their fair value at 31 August 2019 and 31 August 2020.

Risk Review

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity maintains a risk register and the trustees review at least annually the main strategic, business and operational risks which the charity faces. The trustees have established systems and controls to mitigate against major risks to which the College is exposed. Any activity with a high residual risk is monitored and appropriate action implemented to bring within acceptable levels wherever possible.

Other policies are also in place in relation to health and safety, governance and management.

Major Risks

Under normal circumstances, the risks of the charitable company are mitigated to an acceptable level in day-to-day operations. A financial risk assessment has been made, along with an organisational risk assessment in the College's approach to budget setting for future years. The trustees consider their main risks are their relationship with key funders and stakeholders, the ongoing impacts of the Covid pandemic, and their ability to deliver a successful, timely outcome to the review of options for the premises.

Plans for future periods

- Run residential retreats for students and staff. This will be kept under review in light of changing circumstances due to Covid. A Covid-safe alternative will be arranged if necessary.
- Run a Discernment Day for people exploring a call to ordained ministry and for those interested in courses of theological education.
- Continue to promote the new training pathway and recruit students for September 2021 intake.
- Re-visit the review of the College's premises in the light of changing circumstances.
- Integrate new trustees and continue building a healthy and diverse trustee body.
- Develop detailed plans for changing the status of the College to a Charitable Incorporated Organisation.
- Work through the renewal of the College's formal academic partnership with Cardiff University which needs to be in place in time for the Academic Year 2021-22.
- Plan for the management of and teaching provision for the MTh Theology beyond September 2021 when St Padarn's Institute will cease to be part of the Collaborative Partnership with Cardiff University.
- Liaise with Cardiff University over new modules for the Academic Year 2021-2022.
- Participate in Baptist discussions about changing patterns of ministerial training and formation.
- Contribute to discussions about the funding of training Baptist ministers.
- Continue to develop healthy working relationships with other denominations in Wales.

SOUTH WALES BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

Constitution

The College was founded in 1807, and operates under a governing document that was adopted during 2009 to put into effect in 2010. South Wales Baptist College is registered as an unincorporated charity.

The Board of Trustees

The trustees exercise the powers of the charity in accordance with the Trust Deed.

Key Management Personnel remuneration

Our key management personnel are the trustees of the charity, as detailed within the trustees report, including the co-Principals of the College, Rev. Rosa Hunt and Rev. Ed Kaneen.

Setting pay and other remuneration is ultimately the responsibility of the Trustees, on the advice of the Officers of the College who comprise the Chair (Rev. Mark Thomas), co-Principals (Rev. Rosa Hunt and Rev. Ed Kaneen) and Treasurer (Caren Fullerton). The co-Principals do not participate, either at officer or trustee level, in decisions concerning their remuneration.

Remuneration decisions are taken in the light of relevant benchmarks, including stipend levels set by the Baptist Union of Great Britain, Cardiff University lecturer pay scales, and local conditions.

Governing document

The College operates under the provisions of a governing document put into effect in October 2010. The trustees are responsible for the overall direction of the charity, and for ensuring that it acts in accordance with the provisions of the Trust Deed. They are supported by advisory groups addressing Finance, Buildings and Services, and Ministerial Selection. The scheme provides clarity to the roles respectively of the trustees as a body, and the Executive charged with the day to day responsibility of running the College.

Recruitment and induction

Trustees are recruited with the aim of balancing the need for continuity, commitment, experience and people skills, along with a suitable blend of gender, age and geographical representation. A representative trustee nomination group holds informal conversations with leaders of the various Baptist associations and unions which support the College.

Trustees receive an induction into the work of the College by meeting the Chairman and Senior Staff and being advised of their general work, as well as receiving financial statements and other relevant documentation, including relevant Charity Commission publications. Training is provided as needed by appropriately skilled external trainers.

SOUTH WALES BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Reference and administrative details

Name:

South Wales Baptist College

Registered number:

525777

Registered office:

54 Richmond Road
Cardiff
CF24 3UR

Trustees:

Revd Dr. Peter Stevenson (Principal) - to September 2019
Revd Rosa Hunt (co-Principal) - from September 2019
Tom Bourne MBE - to October 2019
Revd Nick Bradshaw - to October 2019
Revd Denzil John
Revd Sue Phillips (Interim Chair July to October 2019)
Eirlys Jones
Caren Fullerton
Cedric Longville
Revd Mark Thomas (Chairman) - appointed October 2019
Revd Emma Mohr - appointed October 2019
Paul Phillips - appointed January 2020

Key management personnel

Revd Dr. Peter Stevenson (Principal) to September 2019
Revd Dr. Rosa Hunt (Co-Principal) from September 2019
Revd Dr. Ed Kaneen (Co-Principal) from September 2019

Principal bankers:

Lloyds Bank Plc
Roath Park Branch
Cardiff
CF10 2AG

Stockbrokers:

Brewin Dolphin Limited
5 Callaghan Square
Cardiff
CF10 5BT

Auditors:

Azets Audit Services
Chartered Accountants & Statutory Auditors
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

SOUTH WALES BAPTIST COLLEGE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees report was approved by the Board of Trustees.

Caren Fullerton.

C Fullerton

Trustee

Dated: *18th May 2021*

SOUTH WALES BAPTIST COLLEGE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SOUTH WALES BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SOUTH WALES BAPTIST COLLEGE

Opinion

We have audited the financial statements of South Wales Baptist College (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and 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 in the financial statements or 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.

SOUTH WALES BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SOUTH WALES BAPTIST COLLEGE

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Other matters

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

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

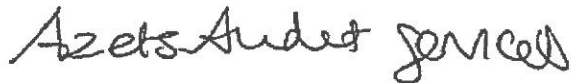
SOUTH WALES BAPTIST COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SOUTH WALES BAPTIST COLLEGE

Use of our report

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



Azets Audit Services

19/05/2021

**Chartered Accountants
Statutory Auditor**

**Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB**

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

SOUTH WALES BAPTIST COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	Notes	2020	2020	2020	2019	2019	2019
		£	£	£	£	£	£
<u>Income and endowments from:</u>							
Donations and legacies	3	214,347	-	214,347	333,643	-	333,643
Charitable activities	4	192,782	-	192,782	287,221	-	287,221
Investments	5	11,431	-	11,431	12,935	-	12,935
Other income	6	2,610	-	2,610	2,083	-	2,083
Total income		421,170	-	421,170	635,882	-	635,882
<u>Expenditure on:</u>							
Raising funds	7	72	-	72	885	-	885
Charitable activities	8	460,146	-	460,146	424,988	-	424,988
Other	13	-	50	50	430	50	480
Total resources expended		460,218	50	460,268	426,303	50	426,353
Net gains/(losses) on investments	14	(21,577)	-	(21,577)	(13,771)	-	(13,771)
Net (outgoing)/incoming resources		(60,625)	(50)	(60,675)	195,808	(50)	195,758
Other recognised gains and losses							
Other gains or losses	15	3,236	-	3,236	-	-	-
Net movement in funds		(57,389)	(50)	(57,439)	195,808	(50)	195,758
Fund balances at 1 September 2019		2,404,718	150	2,404,868	2,208,910	200	2,209,110
Fund balances at 31 August 2020		2,347,329	100	2,347,429	2,404,718	150	2,404,868

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

All income and expenditure derive from continuing activities.

SOUTH WALES BAPTIST COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	16		652,214		666,393
Investment properties	17		1,210,000		1,210,000
Investments	18		407,186		421,055
			<u>2,269,400</u>		<u>2,297,448</u>
Current assets					
Debtors	20	10,831		11,617	
Cash at bank and in hand		260,366		321,098	
			<u>271,197</u>		<u>332,715</u>
Creditors: amounts falling due within one year	21	(26,089)		(41,482)	
Net current assets			245,108		291,233
Total assets less current liabilities			2,514,508		2,588,681
Creditors: amounts falling due after more than one year	22		(167,079)		(183,813)
Net assets			<u>2,347,429</u>		<u>2,404,868</u>
Capital funds					
Endowment funds - general	24		100		150
Income funds					
<u>Unrestricted funds</u>					
Designated funds	25	-		16,666	
General unrestricted funds		1,446,185		1,476,005	
Revaluation reserve		901,144		912,047	
			<u>2,347,329</u>		<u>2,404,718</u>
			<u>2,347,429</u>		<u>2,404,868</u>

The financial statements were approved by the Trustees on 18th May 2021

Caren Fullerton

C Fullerton
Trustee

SOUTH WALES BAPTIST COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	31		(64,455)		166,785
Investing activities					
Purchase of investments		(91,193)		(46,951)	
Proceeds on disposal of investments		83,485		29,501	
Investment income received		11,431		12,935	
Net cash generated from/(used in) investing activities			3,723		(4,515)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(60,732)		162,270
Cash and cash equivalents at beginning of year			321,098		158,828
Cash and cash equivalents at end of year			260,366		321,098

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

South Wales Baptist College is an unincorporated charity registered in England & Wales. Their registered office is 54 Richmond Road, Cardiff, CF24 3UR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity reported an unrestricted net outflow of £57,389 for the year on unrestricted reserves after losses on investments and movement in its pension liability. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the society's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

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

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% on cost
-----------------------------	------------

Individual assets costing £1,000 or more are capitalised.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Investment properties were valued at market value on 17 March 2017 and was reflected as part of the transition to FRS 102. Trustees consider the market value at 17 March 2017 reflects the fair value of the properties at 31 August 2019 and 2020.

1.8 Fixed asset investments

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

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

As a registered charity, South Wales Baptist College is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.11 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.

1.12 Retirement benefits

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

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	213,047	333,643
Legacies receivable	1,300	-
	<u>214,347</u>	<u>333,643</u>
Donations and gifts		
Church donations	17,788	28,982
Griffiths Trust	193,924	185,858
Valedictory	-	426
Personal	1,234	971
Other	101	456
Proceeds from the sale of donated Baptist Chapel	-	116,950
	<u>213,047</u>	<u>333,643</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

	2020 £	2019 £
Rental income	88,493	163,294
Fees	104,289	123,927
	<u>192,782</u>	<u>287,221</u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Dividends	10,607	12,145
Interest receivable	824	790
	<u>11,431</u>	<u>12,935</u>

6 Other income

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Sundry income	2,610	2,083
	<u>2,610</u>	<u>2,083</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Advertising	72	885
	<u>72</u>	<u>885</u>

8 Charitable activities

	2020	2019
	£	£
Staff costs	222,814	177,595
Depreciation and impairment	14,179	14,179
Catering	3,380	3,197
Student support costs	110	632
Books	2,358	1,944
Library	7,924	6,915
Schools Science Project	-	646
Prizes	400	3,731
Pension Liability Interest Charge	3,958	4,705
	<u>255,123</u>	<u>213,544</u>
Grant funding of activities (see note 9)	11,044	23,511
Share of support costs (see note 10)	189,779	183,733
Share of governance costs (see note 10)	4,200	4,200
	<u>460,146</u>	<u>424,988</u>

9 Grants payable

	2020	2019
	£	£
Grants to individuals	11,044	23,511
	<u>11,044</u>	<u>23,511</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	41,063	-	41,063	39,915	-	39,915
Operating lease charges	1,888	-	1,888	2,088	-	2,088
Telephone	832	-	832	966	-	966
Printing & stationery	4,583	-	4,583	6,158	-	6,158
Heat, light and water	19,495	-	19,495	23,363	-	23,363
Cleaning	18,086	-	18,086	19,123	-	19,123
Insurance	12,934	-	12,934	12,319	-	12,319
Professional fees	8,933	-	8,933	14,951	-	14,951
Sundry	14,403	-	14,403	10,943	-	10,943
Amenities & training	8,387	-	8,387	531	-	531
Travel & conference expenses	3,955	-	3,955	7,011	-	7,011
Repairs and renewals	55,220	-	55,220	46,365	-	46,365
Audit fees	-	4,200	4,200	-	4,200	4,200
	<u>189,779</u>	<u>4,200</u>	<u>193,979</u>	<u>183,733</u>	<u>4,200</u>	<u>187,933</u>
Analysed between						
Charitable activities	<u>189,779</u>	<u>4,200</u>	<u>193,979</u>	<u>183,733</u>	<u>4,200</u>	<u>187,933</u>

Governance costs includes payments to the auditors of £4,200 (2019- £4,200) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Teaching staff	4	4
Administrative staff	3	2
	<u>7</u>	<u>6</u>

Employment costs

	2020 £	2019 £
Wages and salaries	209,820	167,297
Social security costs	21,132	17,584
Other pension costs	32,925	32,629
	<u>263,877</u>	<u>217,510</u>

Key management personnel

The key management personnel of the charity who are noted in the trustees report received benefits (consisting of gross salary, employers national insurance contributions and employers pension contributions) totalling £98,395 (2019: £69,003).

There were no employees whose annual remuneration was £60,000 or more.

13 Other

	Endowment funds general 2020	Unrestricted funds 2019	Endowment funds general 2019	Total £ 2019
Anne Rendell Prize Fund	50	-	50	50
Other expenditure	-	430	-	430
	<u>50</u>	<u>430</u>	<u>50</u>	<u>480</u>

14 Net gains/(losses) on investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Revaluation of investments	(21,577)	(13,771)
	<u>(21,577)</u>	<u>(13,771)</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14 Net gains/(losses) on investments (Continued)

15 Other gains or losses	Unrestricted funds	Total
	2020 £	2019 £
Gain on pension scheme	(3,236)	-

16 Tangible fixed assets

	Freehold land and buildings £
Cost	
At 1 September 2019	708,930
At 31 August 2020	708,930
Depreciation and impairment	
At 1 September 2019	42,537
Depreciation charged in the year	14,179
At 31 August 2020	56,716
Carrying amount	
At 31 August 2020	652,214
At 31 August 2019	666,393

A review of the property portfolio took place in March 2017 and it was agreed that three of the four properties owned by the charity were in fact investment properties. All four properties were valued on 17 March 2017. Trustees consider the market value at that date reflects the fair value of the properties as at 31 August 2019 and 31 August 2020. The remaining fixed asset property is used for charitable purposes.

The historical cost of this property is £144,855.

17 Investment property

	2020 £
Fair value	
At 1 September 2019 and 31 August 2020	1,210,000

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Investment property

(Continued)

A review of the property portfolio took place in March 2017 and it was agreed that three of the four properties owned by the charity were in fact investment properties. All four properties were valued on 17 March 2017. Trustees consider the market value at that date reflects the fair value of the properties as at 31 August 2019 and 31 August 2020. The remaining fixed asset property is used for charitable purposes.

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 September 2019	406,444	14,611	421,055
Additions	91,193	(91,193)	-
Valuation changes	(21,577)	-	(21,577)
Cash movement	-	7,710	7,710
Disposals	(80,206)	80,206	-
	<u>395,854</u>	<u>11,334</u>	<u>407,188</u>
Carrying amount			
At 31 August 2020	<u>395,854</u>	<u>11,334</u>	<u>407,188</u>
At 31 August 2019	<u>406,444</u>	<u>14,611</u>	<u>421,055</u>

19 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>395,852</u>	<u>406,444</u>

20 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	-	850
Prepayments and accrued income	10,831	10,767
	<u>10,831</u>	<u>11,617</u>

21 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		5,005	5,147
Deferred income	23	-	15,553
Other creditors		-	466
Accruals and deferred income		21,084	20,316
		<u>26,089</u>	<u>41,482</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

22 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Accruals and deferred income	167,079	183,813

Pension deficit contributions:

The company participates in a multi-employer pension scheme. The scheme is a defined benefit scheme in the UK. As it is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme it therefore has to account for the scheme as a defined contribution scheme.

The amount recognised in the financial statements is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. See note 27 for further details.

The amounts repayable are as follows:

	2020 £	2019 £
Repayable within two and five years	79,465	71,527
Repayable in more than five years	<u>87,614</u>	<u>112,286</u>
	<u>167,079</u>	<u>183,813</u>

23 Deferred income

	2020 £	2019 £
Arising from income in advance	-	15,553

Deferred income is included in the financial statements as follows:

	2020 £	2019 £
Balance brought forward	15,553	43,276
Income received	-	-
Income released	<u>(15,553)</u>	<u>(27,723)</u>
Balance carried forward	<u>-</u>	<u>15,553</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds				Movement in funds				Balance at 31 August 2020		
	Balance at 1 September 2018	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 September 2019	Incoming resources	Resources expended		Transfers	Revaluations gains and losses
	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments											
Anne Rendell	200	-	(50)	-	-	150	-	(50)	-	-	100
	200	-	(50)	-	-	150	-	(50)	-	-	100

Anne Rendell Prize Fund

The provision of a prize to be awarded every year for 10 years for practical or personal encouragement of students.

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

25 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2018	Resources expended	Balance at 1 September 2019	Resources expended	Balance at 31 August 2020
	£	£	£	£	£
Pension Scheme Gift	33,333	(16,667)	16,666	(16,666)	-
	<u>33,333</u>	<u>(16,667)</u>	<u>16,666</u>	<u>(16,666)</u>	<u>-</u>

The trustees agreed to designate additional voluntary payments to the Pension Scheme of £50,000. The final payment was made in 2019/20.

26 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 August 2020 are represented by:						
Tangible assets	652,214	-	652,214	666,393	-	666,393
Investment properties	1,210,000	-	1,210,000	1,210,000	-	1,210,000
Investments	407,186	-	407,186	421,055	-	421,055
Current assets/ (liabilities)	245,008	100	245,108	291,083	150	291,233
Long term liabilities	(167,079)	-	(167,079)	(183,813)	-	(183,813)
	<u>2,347,329</u>	<u>100</u>	<u>2,347,429</u>	<u>2,404,718</u>	<u>150</u>	<u>2,404,868</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Pension Scheme

The College is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

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 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 contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Principal and staff tutors are eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Pension Scheme (continued)

Pension increases

- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from colleges and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 August 2020	31 August 2019
Balance sheet liability at year start	£199,810	£214,378
Minus deficiency contributions paid	-£18,491	-£19,711
Interest cost (recognised in SoFA)	£3,958	£4,705
Remaining change to balance sheet liability* (recognised in SoFA)	-£3,236	£438
Balance sheet liability at year end	£182,041	£199,810

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31 August 2019	31 August 2019	31 August 2018
Discount rate	1.1%	2.1%	2.3%
Future increases to Minimum Pensionable Income	3.3%	3.3%	3.1%

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

29 Related party transactions

Transactions with related parties

Denzil John (trustee) is also a trustee of the Living Room charity which was a tenant of the College. The College recognised £15,553 of rental income this year (2019: £26,663) from the Living Room.

Revd Rosa Hunt (Co-Principal) is an employee and an ex-officio trustee. The co-principal is not remunerated for her work as a trustee, and is not involved in decisions regarding their remuneration at board level.

30 Operating lease commitments

Lessee

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

	2020 £	2019 £
Within one year	1,848	1,888
Between two and five years	1,540	3,388
	<u>5,276</u>	<u>5,276</u>

31 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(60,675)	195,758
Adjustments for:		
Investment income recognised in statement of financial activities	(11,431)	(12,935)
Foreign exchange differences	3,236	-
Fair value gains and losses on investments	21,577	13,771
Depreciation and impairment of tangible fixed assets	14,179	14,179
Difference between pension charge and cash contributions	(17,768)	(14,568)
Movements in working capital:		
Decrease/(increase) in debtors	786	(1,205)
Increase/(decrease) in creditors	1,194	(492)
(Decrease) in deferred income	(15,553)	(27,723)
Cash (absorbed by)/generated from operations	<u>(64,455)</u>	<u>166,785</u>

SOUTH WALES BAPTIST COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

32 Analysis of changes in net funds

The charity had no debt during the year.