NAZARENE THEOLOGICAL COLLEGE

England & Wales · Charity number 526675

Details

Other names	THE BRITISH ISLES NAZARENE COLLEGE
Status	Registered
Legal form	Other
Registered	1970-08-06
Register	View on the Charity Commission register

Contact

Address	Nazarene Theological College Dene Road Didsbury Manchester M20 2GU
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Activities

Objects: FOR THE PURPOSE OF A COLLEGE FOR THE PROMOTION OF CHRISTIAN EDUCATION AS SET FORTH IN THE MANUAL OF THE CHURCH OF NAZARENE

Activities: Provision of theological education in the HE sector

Classification

- **How:** Provides Services
- **What:** Education/training, Religious Activities
- **Who:** The General Public/mankind

Geography

- Scotland
- Manchester City

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£1,608,296	£1,600,470	£3,061,242	26
2024-06-30	£1,641,231	£1,626,819	£3,050,852	27
2023-06-30	£1,722,163	£1,683,236	£3,035,366	26
2022-06-30	£1,499,856	£1,444,437	£2,996,080	25
2021-06-30	£1,515,615	£1,340,596	£2,890,948	24

Trustees

Name	Role	Appointed
Philip John Pleace Howard	Chair	2021-11-21
ANDREW MARK BOLTON		2024-03-09
Dr DEIRDRE BROWER LATZ		2024-11-13
Dr Graham Greenlee		2024-03-09
Finlay Mackinnon		2022-03-14
HELEN JANE ROBERTS		2023-03-10
Iain McGookin		2024-11-29
Kenneth George Jeffrey Baker		2024-03-09
Lily Anna Rawding		2025-09-15
Rev Antonie Holleman		2024-11-13
Rev Arthur Snijders		2020-11-01
Rev Carl Ryan McCann		2019-03-23
Rev Elsie Lorraine Bell		2021-04-17
Rev Ruth Turner		2019-06-07
Rosemary Amanda Arnold-Knights		2024-11-29
Shirley Berry		2024-11-29

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NAZARENE THEOLOGICAL COLLEGE

England & Wales - Charity number 526675

Accounts

Charity Number: 526675

Nazarene Theological College

Report and financial statements

For the year ended 30th June 2025

Nazarene Theological College

Reference and administrative information

for the year ended 30 June 2025

Charity number 526675

Registered office and operational address

Nazarene Theological College [NTC]
Dene Road
Didsbury
Manchester
M20 2GU

Website: www.nazarene.ac.uk

Trustees Trustees who served during the year and up to the date of this report were as follows:

Name	**Position**
Mr. Ian Burleigh	Chair
Mr. Philip Howard	Vice Chair, Chair of Finance Committee
Mrs. Rosemary Arnold Knights	Secretary
Mr Steven Leach	Secretary (to May 2025)
Rev. Carl McCann	
Rev. Ruth Turner	
Rev. Dr Deirdre Brower Latz	
Ms Esther Newton	
Mr. Finlay MacKinnon	
Mr. Graham Greenlee	
Rev. Lorraine Bell	
Rev. Dr. Ken Baker	
Mr Mark Bolton	
Mrs Helen Roberts	
Rev. Arthur Snijders	
Mr Iain McGookin	
Mrs. Shirley Berry	
Rev. Antonie Holleman	

Nazarene Theological College

Reference and administrative information

for the year ended 30 June 2025

The following trustees are designated to hold title to land and buildings belonging to the charity and are designated to be signatories to mortgages held on behalf of the charity:

Mr. Ian Burleigh (Vice Chair May 2017-2020, Chair 2020-present)

Mr. Steve Leach (Secretary appointed May 2017-May 2025)

Rev. Ruth Turner (Ex Officio and member of the executive, 2020-present)

Rev. Carl McCann (Ex Officio and member of the executive, 2019-present)

Note: as an educational institution, the language for Trustees is interchangeable with Governor.

Key management personnel	Deirdre Brower Latz	Principal
	Jacob Lett	Vice Principal (Academics/Dean of Faculty)
	Pauline McKendrick	Vice Principal (Operations)

Bankers

Barclays Bank PLC

1st Floor, 3 Hardman Street, Spinningfields, Manchester, M3 3HF

Reliance Bank Limited

Faith House, 23-24 Lovat Lane, London, EC3R 8EB

Solicitors

Anthony Collins Solicitors

134 Edmund St, Birmingham, B3 2ES

Auditors

Jennifer Daniel, Slade & Cooper Limited

Beehive Mill, Jersey St, Manchester, M4 6JG

Nazarene Theological College

Trustees' annual report

for the year ended 30 June 2025

The Governors, who are the trustees, present their report and the audited financial statements for the year ended 2025

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Executive Summary
Nazarene Theological College (NTC) continues to be a place of learning, formation, and transformation grounded in the Wesleyan theological tradition. During the 2024–2025 year, the College has deepened its commitment to academic excellence, student support, and global mission partnerships while navigating the challenging higher education landscape with faith and prudence.

Our students have achieved exceptional outcomes, including a 92% satisfaction rating in the National Student Survey, and NTC remains among the most highly rated theological colleges in the UK. The introduction of the BA in Theology and Counselling marks a milestone in broadening our academic portfolio, and the restructuring of placements has enhanced student readiness for ministry and service.

The Board of Governors is grateful to staff, students, and supporters whose dedication has ensured the stability and flourishing of the College. Financially, NTC has operated within careful stewardship, managing costs in a challenging economic environment and maintaining sufficient reserves to secure its long-term mission. Trustees affirm that the College continues to operate as a going concern.

Objectives and activities, Purposes and aims
Our charity's purposes are set out in the objects of the charity which are to foster, promote and maintain theological higher education in harmony with the Manual of the Church of the Nazarene, as interpreted by the General Assembly of the Church of the Nazarene in session from time to time.

The aims of our charity will include, but not be limited to,

a) Operating as an institution within the Higher Education sector in the United Kingdom but as an integral part of the Church of the Nazarene, the College shall serve the UK and global Nazarene community as well as the wider Christian community.
b) Providing the church's philosophical and theological framework which at all times is rooted in the biblical and doctrinal commitments to the Wesleyan tradition and accountable to the stated mission of the denomination.
c) Guiding all those who participate in its life by accepting, nurturing and expressing in service to the church and the world a consistent and coherent Christian understanding of social and individual behaviour.
d) Providing a curriculum quality of instruction and evidence of scholarly achievement that will prepare graduates at both undergraduate and postgraduate levels to function effectively in the various vocations of Christian discipleship and ministry.

Activities
The Officers of the College work on the annual monitoring and evaluation of the current strategy. Full reports are given to the Governors on the progress being made towards the fulfilment of the agreed vision and direction of the institution.

The Governors of the College consider that the College's aims, objectives and activities as described in this report demonstrate proof of public benefit in the advancement of religion and in the advancement of education. Within its core operations the College offers a non-discriminatory policy assuring the mission, vision, values and ethos of the College are upheld. The Governors spent time considering the Vision, Ethos and culture that undergirds all strategy. Similarly, the Governors review the budget, investments,

use of funds and ensure that all such use is strategically aligned with the mission. In particular, the development of pathways of learning that ensure sustainability and serve the vision of the College within the Higher Education landscape both in the UK and Globally are reported on.

The Governors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. Governors consider how planned activities will contribute to the aims and objectives that have been set.

Benefits to Society

Our Governors are aware of the guidance on Public Benefit as described by the Charity Commission and take it into account in operating the Charity. The decisions taken by Governors further the Charity's benefit to the public and they regularly review the activity and how it serves the Charity to engage with its beneficiaries.

We benefit wider society by heightening awareness of the role religion can play in advocating for good, bringing peace, reconciling across faith communities, and enabling people from faith and non-faith backgrounds to develop their own understanding. With students from a range of socio-economic backgrounds, nationalities, and age ranges we ensure also that our students are well prepared to serve the wider society, well equipped to be transformative leaders. Many graduates are employed in the public and third sector, charities, businesses and religious settings, and most will impact wider society by enhanced understanding of the world and the way people think. Character formation, ethical principles, best practice for community development and ways of approaching the world that are respectful, tolerant, ethical and thoughtful are also part of the intended outcomes of our work.

Globally our students take roles in leadership at a number of levels, from institutional leadership to engagement in government. At the grassroots they are people committed to seeing communities and individuals thrive.

Our undergraduate and postgraduate students are drawn from across the UK and beyond and range in age from 18- mid 70s.

The College has significant success in ensuring many underrepresented groups achieve access to education. Year on year we are investing in enhancing and supporting students from low participation areas and communities to thrive.

Our provision is for a wide range of people but is also attracting mature students with a direct interest in developing themselves further as professionals in a range of industries.

Additionally, given our geographical location, we enable:

- access to the grounds by the wider community in keeping with the ethos and values of the College
- provision of theological education to the wider community via our Manchester Bible School and Theological Foundation pre-degree programmes
- access of means-tested bursaries and scholarship
- listening services
- subsidised access to our theological library facilities for students, members of the local community
- access to refreshments to the wider community at 11am daily
- access to the resources and library of the Manchester Wesley Research Centre and resources of the Manchester based arm of the Movement for Justice and Reconciliation which are housed within the College's facilities
- Use of the College's facilities by local organisations, other educational bodies, churches, public open days and through participation in local and national community events.
- Assisting students as and when practicable and necessary through a policy of bursaries or hardship grant aid in order to meet their tuition and living costs.

Strategic Focus
Reflected in the accounts the College remains committed to key elements of Wesleyan theology within Higher education:

The College remains committed to:
- Excellence in Governance and leadership
- Academic excellence through research-led, practice-driven teaching
- Validated Higher Education learning within the UK setting
- Access for students from non-traditional backgrounds and ages
- Our institutional identity rooted in Christian values
- Formation of a Christ-like community
- Student support
- Non-traditional Students engaged in learning and supporting

Key Developments in 2024-2025:
- Recruitment commenced for the new BA in Theology and Counselling
- Appointment of specialist counselling staff for direction of the new BA
- A restructured, quality-assured model for placements from in September 2025
- Investments in student mental health and learning enhancement
- Investment in digital resources
- A commitment to bursary support and hardship funds
- Infrastructure improvements, including campus reroofing, new boilers, and upcoming solar panels
- Strengthening of fundraising, alumni engagement, and promotion
- Academic Programmes review
- Investment in Global leadership for academic partnerships fulfilling the aims and objectives of the Charity

Programmes of core business
The College runs taught academic programmes at both undergraduate and postgraduate levels; it also supervises Research Degree programmes. Courses commence with a flexible one-year certificate course through to the PhD programme. The range of courses now offered is as follows:

Undergraduate
Programmes at Certificate, Diploma, Bachelor of Arts and Bachelor of Arts (Honours) Degree levels in Theology; pathways in Theology, Youth & Community, Practical Theology, Biblical Studies, and Counselling.

Postgraduate
Post Graduate Certificate, Diploma and Master of Arts Degree in Theology with streams in a range of areas all approved by the University.

Research degrees at both MPhil and the PhD level (including the Practice-based PhD) are individually pursued by students and supervised by the College; the current number of students on research programmes is 37, with 4 students satisfactorily completing their degrees in the past year.

The College subscribes to the Quality Assurance Agency (QAA), the Office for Students designated body for quality, to provide assurance that the College is meeting UK expectations for the academic standards of awards offered, and the quality, information and enhancement of learning opportunities provided.

We work within the Home Office Prevent Duty framework to recognise and reduce risks of radicalisation. Alongside our annual Prevent Report submission, the College regularly participates in the Manchester Prevent Leads forums. The College receives regular updates from the National Counter Terrorism Security Office. These updates are downloaded and forwarded as appropriate to College personnel.

We work with the United Kingdom Visa and Immigration authorities and comply with all their requirements.

International Activity
A number of our faculty spoke, presented and engaged in professional conferences throughout this year. The cohorts for international students were serviced through online engagement and the development of a pre-degree programme to ensure early support for student success.

This year a new appointment in International Education was developed and Rev. Dr. MiJa Wi took on the role of Global Development for the College. The ongoing relationship with the International Church of the Nazarene has led to further plans for teaching and engagement in South and Central America, India and in some African Nations, with the pilot teaching programme in Argentina taking place in March 2025.

Student Support Achievements and Performance
The College prioritises holistic student support through:

- Enhanced mental health services and wrap-around support
- Disability accessibility improvements, guided by an active development plan
- Training in anti-racist practice
- Investment in chaplaincy, learning support, and hardship funds
- Active engagement in regulatory compliance, including OfS, Prevent, and Veterans Affairs audits
- Investment in key bursaries to support developments, hardship and enable students to access learning continued.
- The disability audit recommendations have been mapped onto a development plan and our strategic plan reflects our determination to improve our accessibility.

Access and Participation
The College's revised Access and Participation Plan [APP] is approved by the Office for Students which is regulated in relation to student admissions, progression and attainment.

The College's APP ensures widening access and success for underrepresented students.

The College allocates funds to support its APP, ensuring that students from underrepresented backgrounds receive the necessary financial support and resources to access and succeed in higher education. These funds are applied in full accordance with Office for Students requirements.

Governors monitor APP outcomes and ensure all OfS funds are applied according to terms and conditions. Therefore, in accordance with the Higher Education and Research Act 2017, and since our Governing Body is responsible for overseeing NTC's APP, this year, Governors:

- Received an update on the plan and its implications for our organisation
- Received reports from the VP Quality Assurance and Registrar relating to the outcomes of our students
- Ensured that funds provided by OfS (including APP) and the Department for Education have been applied in accordance with the relevant terms and conditions
- Ensured that the APP expenditure was in keeping with our commitments to offer direct financial support to current and future students

There are still underlying challenges relating to the deficit background for students from non-traditional backgrounds.

The College has identified clear priorities as the focus of our APP plan supporting student access to higher education, and to create an environment where students can flourish and achieve their full potential.

These priorities include:

- Supporting access to higher education
- Ethnic minority student success and progression

- Supporting students from low-participation neighbourhoods
- Connecting with schools and churches in areas of unique need and low participation is a distinctive part of NTC's work.
- We specifically engage with communities who do not tend to join higher education. The emphasis has been both on younger people and mature students.
- We also actively engage with students who have disabilities, and the College has invested in provision for these students. The high level of students with disabilities is viewed as positive by the College, as we fulfil our aim of being an accessible and flexible place of learning.

Safeguarding And Compliance With OfS E6
Nazarene Theological College is fully committed to safeguarding the welfare of all students and staff.

The College has reviewed its safeguarding policies and procedures in line with the latest requirements set out in the Office for Students' Condition of Registration E6, which came into effect August 1st 2025.

NTC fully complies with this new OfS Condition E6, ensuring safeguarding, harassment prevention, and student welfare. Updated policies, trained safeguarding officers, and governance-level oversight are in place

In response to these requirements, the College has:

- Updated its safeguarding and harassment prevention policies to fully comply with OfS E6.
- Implemented a transparent reporting and case management system for student complaints related to harassment and sexual misconduct.
- Established clear student protection measures, with policies made accessible and regularly communicated.
- Appointed safeguarding leads and designated safeguarding officers who are regularly trained.
- Embedded a cross-College safeguarding culture, ensuring all staff are trained to identify, respond to, and report safeguarding concerns promptly.
- Integrated safeguarding responsibilities into governance-level risk oversight, with the Risk, Audit, and Governance Committee receiving regular safeguarding reports.
- Designated a Governor as the Safeguarding lead Governor.

The College remains vigilant in maintaining a safe and respectful learning environment and is committed to continuous review and improvement in this area, ensuring robust compliance with all safeguarding and student welfare regulations.

Achievements and performance
The charity's main activities and who it tries to help are described below. All its charitable activities focus on education within a framework of a Christian College, and are undertaken to further Nazarene Theological College's charitable purposes for the public benefit. It is important to us that we are open in our admission policies, which means that a wide range of people are welcome to join our learning community. All who are part of our College are treated equally, regardless of their background or beliefs.

In all of the areas we are across as a large charity ~ the achievement of students admitted to programmes of study and their completion of the same; regulated approvals; continuing our University of Manchester Validation; being of good standing in all areas of compliance; and modelling good practice ~ we are able to fulfil our aims of Higher Education. Recognising endemic issues in the United Kingdom around particular groups who do not attain as well as those with greater resources, and in keeping with the Mission to the poorest communities in the world, the College works from pre-Higher Education in order to support people from non-traditional backgrounds into learning. From there, into BA and through to PhD and post-doctoral levels our commitment is to enable applicants to our courses and admitted students to thrive.

Strategically the College aligns all of its activities with our established aims. We focus on Academic Excellence, Research-led teaching and learning and practice-driven engagement. Holistic education is demonstrably better and students from complex backgrounds need additional support. A number of our

students are entering education for the first time as adults and have a rational fear of education due to poor backgrounds, experiences and early exclusion. We specialise in helping students achieve more than they'd dreamed of.

In order to determine how well we are succeeding we draw on a number of KPIs:

a) Admissions
b) Progression
c) Access to education
d) Fulfilment of specialist criteria
e) Employability
f) Monetised activities
g) Pathways for further development and employability

With a long established record of conservative finances, we are amongst the leaders in the sector in being financially stable. Widely reported crises in Higher Education finance and theological education means we measure risk regularly and mitigate immediately to ensure no risks crystalise.

Each year our senior team review management accounts monthly, Governors quarterly and we have a traffic light 24 month rolling cash flow review. We are prudent and cautious in our use of funds. We work hard on fundraising and seek to be sustainable in all our decision making.

Following a Feasibility study we launched a new programme in Counselling in 2025, recruiting throughout the reporting period. This was part of our longer term objective of creating pathways of learning with direct employability for a sustainable future.

The College rightly has a commitment to long term sustainability. This means that year on year we review, rationalise and consider areas of development, improvement or cessation. The coming year will see our investment in Counselling consolidated, further investment in specialised teaching and supervision, investment in recruitment and networking to further enhance our reputation and investment in partnership building with other organisations. We designated two staff roles to the development of the Counselling programme, one full time and one part time.

Additionally:
In 2024–2025, NTC achieved: -

- 92.4% student satisfaction (sector average: 83.4%)
- 37 postgraduate research students
- High participation of mature students (90%) and students from low-participation neighbourhoods (54%)
- Continued partnerships with global Nazarene institutions and new teaching initiatives in Argentina and Asia
- Infrastructure improvements, which included campus reroofing, installation of efficient boilers, and progress toward solar panel installation, supporting the College's sustainability and accessibility objectives.
- Recruitment through to admission of 13 students as the first cohort of Counselling
- A small budget surplus

In this year we identified areas for improvement - rationalising the number of pathways at MA; the need to improve in flexibility around evenings and weekend based on customer demand, the need to improve our strategy of marketing and recruitment; the website needed significant investment in order to improve its functionality; Office 365 needed to be purchased for our team given the old version was no longer supported; we continue to do all fundraising in house and we note that the fundraising climate continues to be challenging.

Outside of our control are several factors which we monitor, engage in or respond to:

a) The HE sector in the UK is less valued by the Government and the situation around student visas creates huge barriers for us
b) The general economic climate makes it difficult for poorer students to engage in studies
c) Many of our students need to work alongside study
d) A decline in support for humanities across the sector has an adverse impact on us
e) The employment of our students is high post graduation, however, generally speaking they are in service orientated or charitable or third sector roles
f) The sudden closure of Spurgeon's college, a member of the ABCP alerted us to some poor practices in other areas of the sector - as a result we scrutinised our own approaches, policies and narratives
g) The risk of validated partners and their reputations or willingness to continue to validate
h) The funding world
i) Increased regulation creating disproportionate burden for small charities - and, although for finance purposes we are treated as a large charity, within the OfS sector we are so small at times our numbers cannot be adequately noted in the systems which service institutions of several thousands of students
j) A sense across the sector that people are more litigious than they used to be
k) The exclusion of smaller charities from larger funders
l) Internally our remuneration is being reviewed

Beneficiaries of our services

Nazarene Theological College (NTC) continues to make a significant and measurable contribution to Christian higher education, ministerial formation, and the public good. The College's charitable purpose—to advance education in theology and related disciplines for the public benefit—remains central to all its work. Its activities are focused on widening participation, shaping reflective practitioners, and supporting research that benefits the Church and society.

The direct beneficiaries of Nazarene Theological College's work are its **students**, who come from across the United Kingdom, Europe, Africa, Asia, and the wider global Church. NTC serves a highly diverse student body: around **90% of students are mature learners**, many entering higher education for the first time as adults; over **50% come from low-participation or economically disadvantaged neighbourhoods**; and a significant proportion identify as **having a disability**. This diversity reflects the College's commitment to providing accessible, flexible, and inclusive theological education.

NTC's beneficiaries also include the **wider Church and faith communities**, which gain from the formation of well-trained, reflective ministers, counsellors, and educators. Many graduates go on to serve as pastors, chaplains, teachers, missionaries, community workers, and scholars, applying their learning in contexts of social need, spiritual care, and cross-cultural engagement. Others work in public sectors, governments as well as in medical and social care settings.

Indirect beneficiaries include the **local community in South Manchester**, where NTC provides public access to its library, gardens, and events, and offers student placements in local charities, schools, and churches. Through initiatives such as the Science for Seminaries project, partnerships with **Asbury Seminary** and **Newbigin School**, and engagement with diaspora and intercultural congregations, the College also serves **broader academic and civic communities**, promoting dialogue between faith, science, and public life.

In fulfilling its charitable purpose, the College therefore benefits not only those enrolled in its programmes but also the communities into which they graduate and serve. The wider public benefit is demonstrated through NTC's contribution to education, moral formation, leadership, and social responsibility—expressing its mission to "learn, lead, and serve" within and beyond the Church.

Inputs and Activities

During 2024–2025, NTC invested in academic development, staff training, student wellbeing, and infrastructure renewal. New programmes, such as the BA in Theology and Counselling, were launched to

address contemporary pastoral and social needs, while established pathways in Theology, Youth and Community Work, and Mission continued to thrive. The beneficiaries are the students and communities they adhere to.

The College also delivered the Science for Seminaries project with Asbury Seminary and the Newbigin School, deepening the intersection between theology and science in the classroom.

Outputs and Outcomes
As mentioned, The College achieved a 92% student satisfaction rating in the National Student Survey, significantly above the UK average, and recorded strong student progression and completion rates. Student diversity continues to be a defining strength—54% of students come from low-participation neighbourhoods, and over 90% are mature learners.

A growing proportion of students identify as disabled, reflecting the College's commitment to accessibility and flexibility in delivery.

In employability and ministry readiness, NTC continues to excel. Graduates serve in local and global contexts, from pastoral appointments and educational leadership to social care, chaplaincy, and further research. The restructured placement system has strengthened links with churches, charities, and community organisations, supporting both professional skills and holistic development.

Impact and Long-term Difference
The long-term impact of NTC's work is seen in its graduates' leadership across the world, the renewal of local church ministry, and its contribution to the wider theological academy. Through partnerships with the University of Manchester, Asbury Seminary, and other global Nazarene institutions, NTC fosters international collaboration and cross-cultural understanding.

The College's Access and Participation Plan (APP) targets the inclusion of underrepresented groups—ethnic minority students, those from low-income backgrounds, and mature learners re-entering education. The College measures progress through key performance indicators (KPIs) including admissions, progression, employability, and student success, reviewed quarterly by the Academic Board and Governors.

Indicators and Evaluation
Performance measurement combines quantitative and qualitative assessment. The College uses KPIs in five areas—admissions, retention, progression, specialist access targets, and employability outcomes—to track progress toward its aims.

Governors receive reports from the VP Academic, Principal, and Registrar at each meeting, linking outcomes to resource allocation and strategic planning.

Impact evaluation extends beyond quantitative metrics: the College's mission emphasises formation, critical thinking, and service. Testimonials, alumni achievements, and external validation from the University of Manchester attest to NTC's enduring influence on both individual lives and church communities. The College's work contributes not only to academic advancement but to the moral, social, and spiritual enrichment of society—a direct reflection of its charitable purpose.

Financial review
The financial year ending 30 June 2025 closed with a small surplus. Careful management enabled the College to navigate inflationary pressures and maintain unrestricted reserves consistent with policy. Tuition fee income remained stable, with restricted funds applied appropriately.

Total income 2025: £1,608,296
Total expenditure 2025: £1,600,470
Net movement in funds 2025: £10,390

The principal funding sources were student tuition fees, accommodation income, denominational grants, and donations. Trustees confirm that restricted and designated funds were used solely for their intended purposes.

Going Concern and Risk
Trustees consider the College a going concern. This view is based on stable recruitment, prudent reserves, a strong property portfolio exceeding book value, and increasing donor support. Key risks—including student recruitment and regulatory change—are actively mitigated through diversification, compliance oversight, and strengthened financial planning.

Reserves and Investment Policy
At this time, the College does not have significant investment funds. Any that we do have are held in relation to our reserves and investment policies.

Reserves: £3,061,242
Restricted: £577,187 (for further analysis see Note 24)
Unrestricted: £2,484,055

Grants:
The College regularly makes hardship grants to students. This is led by an internal committee and distributes hardship funds we raise for the purpose of supporting students in need. The Students apply for a grant and the committee reviews any such applications, following the criteria outlined. Such a model enables students who might not otherwise be able to continue in their studies to continue.

Volunteers:
The College hosts a range of volunteers who positively contribute to the life of the College. From time to time they have been retired people, who join in the Archives, library, gardening, handy-work, and they are managed carefully with a volunteer contract in place. None of the College's activities are reliant on volunteers, rather they supplement the College's activities. No volunteer takes a staff role in whole or in part, and work alongside staff in their roles.

The number of volunteers and the hours contributed are: 6 volunteers for varying lengths of time. Overall total hours was 1,795.

Significant Events Affecting Financial Performance and Position
During the reporting period ending 30 June 2025, NTC operated in a higher-education environment marked by sector-wide financial pressure, including inflation in energy and staffing costs, changes in student funding policy, and continued volatility in international recruitment. Despite these external challenges, the College demonstrated financial resilience through disciplined budgeting, strong cash-flow oversight, and diversification of income sources.

Significant events influencing financial performance included:
- The launch of the BA in Theology and Counselling programme, requiring start-up investment in staff time, validation, and student support structures.
- Major maintenance and sustainability works, such as roof and boiler replacement and campus energy-efficiency upgrades, representing planned capital expenditure funded from reserves.
- The designation of two staff roles for programme development, one full-time and one part-time, to strengthen the Counselling pathway and ensure long-term viability.
- Increased giving from denominational and private donors for bursaries, hardship grants, and capital improvements, partially offsetting expenditure pressures.

Financial effect: The College recorded an operational surplus in line with the approved budget, largely reflecting one-off development and infrastructure costs. Liquidity remained adequate, and unrestricted reserves continued within the target range set by the Trustees' Reserves Policy.

Investment Policy and Objectives
As above, NTC holds only modest investments, consistent with its nature as an unincorporated educational charity. Funds not required for short-term operations are placed on deposit with reputable UK banks in line with the Investment Policy approved by the Board and reviewed biennially by the Finance Sub-Committee (last reviewed 2023–24; next due Nov 2026).

The investment objectives are to:
- Preserve capital and ensure liquidity for operational needs;
- Generate modest returns within low-risk parameters; and
- Reflect the College's ethical and Wesleyan values, avoiding investment in areas inconsistent with its mission

Principal Risks and Uncertainties
Trustees have identified the following principal risks:
1. Volatility in student recruitment, particularly among international and postgraduate cohorts.
2. Inflationary pressures affecting pay and energy costs.
3. Regulatory compliance changes under the Office for Students (OfS) and Charity Commission frameworks.
4. Dependence on denominational funding and donations; and
5. Estate maintenance and long-term sustainability costs.

These risks are monitored through the Risk, Audit and Governance Committee, which maintains a detailed risk register and reports quarterly to the Board. The College mitigates risks by:
- Diversifying income through new courses, partnerships, and grants.
- Maintaining prudent reserves and monthly cash-flow forecasting.
- Ensuring full compliance with OfS Condition E6 (Safeguarding) and the Access & Participation Plan; and
- Investing in staff development, student support, and quality assurance systems.

Trustees have reviewed and confirmed that systems of internal control are robust and proportionate to the College's size and complexity.

Factors Likely to Affect Future Financial Performance
Looking ahead, NTC's financial performance will be influenced by:
- Continued recruitment to the new Counselling programme, expected to enhance long-term fee income.
- The development of online and dual delivery, broadening access and reducing per-student delivery cost.
- Strategic fundraising initiatives, including a Friends of NTC network and exploration of a US-based Donor Advised Fund; and
- The College's ongoing commitment to sustainability, with phased investment toward carbon neutrality by 2035.

Trustees believe the College is well-positioned for continued stability. While acknowledging external economic and regulatory pressures, they are confident that NTC's governance, strategic planning, and prudent management provide a strong foundation for its future operations and mission fulfilment.

Risk management is an embedded process, reviewed annually by the Risk, Audit, and Governance Committee. Principal risks include:
- Decline in student recruitment
- Regulatory or funding changes

- Denominational shifts

Mitigations are outlined as above and include diversification of income streams, enhanced marketing, close OfS engagement, and strengthened governance.

Reserves policy
In line with Charity Commission guidance (CC14), NTC maintains unrestricted reserves to protect against volatility in student numbers and external shocks. The reserves target is reviewed annually.
Unrestricted reserves figure 2025: £2,484,055
The reserves policy holds reserves it holds in line with the level of reserves identified by the trustees as appropriate given our plans for the future activities of the College.
Restricted reserves figure 2025: £577,187
Investments are managed ethically, aligning with the College's mission and values. The policy was last reviewed in 2024 and is next scheduled for November 2026.

Plans for the future
The Board of Governors remains committed to ensuring that Nazarene Theological College continues to be academically excellent, spiritually formative, financially sustainable, and effectively governed. The College's strategic vision for the period 2025–2028 builds on lessons learned over the past two years—particularly around post-pandemic recruitment, staff capacity, and regulatory compliance—and applies these insights to strengthen long-term resilience and impact.

Future Direction
Looking ahead, NTC will consolidate the progress made in 2024–25 by deepening its focus on governance, leadership development, and institutional sustainability. Experience from the 2023–25 strategic cycle demonstrated that robust governance structures and clear succession planning are essential to sustaining quality and confidence within both the College and the wider regulatory environment. Accordingly, the Board will:

- **Strengthen governance and management** through a full review of Board composition, committee effectiveness, and governor development. Training in charity law, higher-education regulation, and OfS expectations will continue to ensure that trustees remain confident and informed in discharging their fiduciary duties. The updated Statement of Primary Responsibilities (2025) will guide this work and align governance practice with best practice across the higher-education sector.
- **Review succession and salary levels** to secure stability in leadership and staffing. The Board recognises that sustained growth requires attracting and retaining skilled staff across academic and professional functions. Building on lessons from the past year's staffing review, governors will undertake a structured succession and remuneration exercise in 2025–26, benchmarking salary scales against comparable institutions and ensuring fairness, transparency, and affordability within the College's means.

Informed by the experience of managing financial pressures and programme innovation in 2024–25, trustees plan to continue prudent investment in academic development, digital infrastructure, and student support. Emphasis will be placed on developing new learning modes (including flexible and dual delivery), expanding the Counselling and Leadership programmes, and deepening the College's engagement with the *University of Manchester* and international partners.

The College's resource allocation will reflect these priorities: capital spending will focus on estate maintenance and sustainability measures; operating budgets will prioritise staff wellbeing, student experience, and widening participation. Fundraising strategies—particularly through the *Friends of NTC* network and denominational partnerships—will underpin these investments while maintaining the College's commitment to ethical stewardship and accessibility.

Trustees believe that these forward plans, rooted in reflective learning from the past year, will ensure that NTC continues to deliver on its charitable purpose: *to advance education, leadership, and service for the good of the Church and society*.

Structure, governance and management
The College is an unincorporated charity, registered in England and Wales with the Charity Commission under Charity Number 526675. It was first registered in 1961 and operates under its most recent approved Constitution dated 12 November 2024, authorised by the Charity Commission and the Board of Governors.
The College is governed by its Constitution and associated By-laws, which define its charitable purpose—to advance Christian higher education and ministerial formation in the Wesleyan tradition—and establish the Board of Governors as its legal trustees.

The trustees are members of the charity for governance purposes only, with voting rights but no beneficial interest in the organisation or its assets.

All trustees give their time voluntarily and receive no remuneration for their services. Reasonable out-of-pocket expenses incurred in fulfilling their duties may be reimbursed in line with College policy, and any such payments are disclosed in Note [13] to the financial statements.

NTC therefore operates under its Constitution (approved by the Charity Commission, November 2024). Governance is exercised by the Board of Governors, who serve as Trustees.

Composition and Appointment
The Board of Governors serves as the legal trustees of Nazarene Theological College. Membership includes:

- The two District Superintendents from the Church of the Nazarene in the British Isles.
- One ordained minister and two laypersons elected by each district assembly, following Nazarene Church by-laws.
- The Principal (ex officio).
- The Student Body President (elected annually by students).
- The EURASIA Regional Education Coordinator (ex officio).
- Up to six members-at-large, appointed by the Board on the Principal's recommendation, selected for their skills, knowledge, and experience to support the effective administration of the College.

Terms and Eligibility

- Members-at-large serve **four-year terms**, renewable once (maximum eight years), with a mandatory **12-month break** before possible reappointment.
- District-appointed trustees serve **four-year terms**, until successors are elected and qualified.
- Trustees must be eligible for membership in the **Church of the Nazarene** and in good standing.
- Except for the Principal and Student President, **employees and undergraduate students** are ineligible to serve on the Board.
- A member ceases to serve if they resign, complete their term, or are removed following due process for reasons such as incapacity or conduct detrimental to the College.

Officers and Election of Leadership
From among its members, the Board elects **a Chair, Vice-Chair, and Secretary** through open ballot for **four-year terms**, with the Chair limited to two terms.

Officers oversee committees including the **Risk, Audit, and Governance Committee**, ensuring strong oversight and accountability.

Current Trustee Practice
The College maintains a full and diverse Board. District superintendents, district-elected clergy and lay representatives, and appointed members-at-large are supported by ex officio officers and international

representatives. Trustees like **Ian Burleigh (Chair)** and **Philip Howard (Vice-Chair)** are elected internally, demonstrating continuity and alignment with constitutional requirements.

The induction and training of trustees happens as a new trustee is appointed. Each new trustee meets 1:1 with all members of the Senior Leadership Team, is given access to the Governor password protected drive, which includes training materials, job descriptions and information on the Governor's code of practice. The Governors have a cycle of training with HE experts brought in Annually and an internal training on reading of materials and reports annually.

The Trustees approve the appointments of all senior leaders, ratify faculty appointments, scrutinise the accounts, oversee the vision and strategy and co-create it; approve the budget, including remuneration policies and monitor the College's effectiveness.

The College is also monitored by the International Board of Education of the Church of the Nazarene, and one Governor is appointed to their role by that group. They are clear, however, that their role on the Governors is as a Governor working in the best interest of the Charity.

The College has two Trustees elected by the International Church of the Nazarene Districts in the United Kingdom. Each of them sit on the board and the Risk, Audit and Governance group of the Board of Governors. They are clear, however, that their role on the Governors is as a Governor working in the best interest of the Charity.

As a College in the HE sector the College complies with the Regulations of the Office for Students, The Nolan Leadership Principles, the UKVI and HESA policies and ensures that its mission is conducted in keeping with Academic Freedom, Freedom of Expression and clear policies that uphold the Codes within the Sector.

In summary, the appointment of trustees at NTC follows a blended model of election, nomination, and appointment designed to ensure accountability, skill diversity, and compliance with the Charity Commission and OfS expectations for governance competence and public benefit.

The Board meets quarterly and maintains committees for Risk, Audit, Finance, Governance, and Academic Affairs. Responsibilities of Trustees align with the *Statement of Primary Responsibilities* (2025), ensuring transparency, accountability, and strategic oversight.
Day-to-day operations are delegated to the Principal, Revd Dr Deirdre Brower Latz, who serves as the College's Chief Executive Officer with overall oversight of the strategy and direction of the College. She is supported by a Core Leadership Team (CLT) comprising Vice-Principals, the Director of Operations, and senior functional leads in finance, research, and administration. Together, this team provides integrated leadership across all College functions—academic, financial, pastoral, and regulatory—ensuring that institutional policies approved by the Board of Governors are effectively implemented, monitored, and reviewed. Each member of the CLT is appointed by the Board upon the Principal's nomination in accordance with the Constitution, bringing significant professional, academic, and managerial expertise to their roles.

The College invests in ongoing professional development to ensure that the CLT are highly trained and current in higher-education regulation, financial management, safeguarding, and equality legislation. Acting collectively, the team maintains the College's full compliance with OfS, Charity Commission, and Home Office regulatory frameworks, and promotes a culture of accountability, collaboration, and continuous improvement across the institution.

The Trustees have regard to the current statement of corporate governance regulatory advice from the Office for Students as contained within Regulatory advice 9: Accounts Direction, and can confirm these have been complied with.

Related parties and relationships with other organisations
Nazarene Theological College (NTC) operates as an **independent charity** in covenantal relationship with the **Church of the Nazarene in the British Isles**, which is both its founding and principal supporting denomination. Several trustees serve in roles within the Church, and these relationships are disclosed in accordance with the Charity Commission's related party requirements. All transactions between NTC and denominational bodies—such as grants for ministerial education or shared use of facilities—are conducted on a fully disclosed and arm's-length basis, with no trustee deriving personal benefit.

The College also maintains formal partnerships with the **University of Manchester**, which validates its academic programmes, and with the **Eurasia Regional Office of the Church of the Nazarene** for educational coordination. These partnerships strengthen academic quality, governance, and accountability. Beyond denominational ties, NTC collaborates with ecumenical and interfaith organisations, including the **Newbigin School for Theology and Mission** and **Asbury Seminary**, on shared teaching, research, and community projects.

No related party received remuneration for trustee or governance duties during the reporting year. Trustees and key personnel have completed annual declarations of interest, and any potential conflicts are managed under the College's **Conflict of Interest Policy**, ensuring that all decisions are made solely in the best interests of the charity. The Principal is a Trustee and is recused from all meetings regarding her remuneration.

Remuneration Policy for Key Management Personnel
The remuneration of the College's key management personnel—including the Principal and Vice-Principals—is determined by the Remuneration Committee of the Board of Governors, which meets annually and reports to the full Board. The Committee applies a transparent framework informed by sector benchmarks for comparable theological and higher education institutions, considering the College's size, financial capacity, and charitable status.

Pay levels are reviewed with reference to the Universities and Colleges Employers Association (UCEA) guidance, regional cost-of-living indices, and internal equity between academic and professional roles. No member of the senior leadership participates in decisions relating to their own remuneration. The College's approach balances the need to attract and retain skilled leaders with its commitment to prudent stewardship of charitable resources and alignment with its Wesleyan values of fairness, integrity, and service.

The Principal's gross remuneration is: £49,048 (see Note 11)

Risk Management and Compliance
Risk management is an embedded process, and high-level risks are annually by the Risk, Audit, and Governance Committee. The Governors review the Governor's Risk documents in sub-committees and collectively twice annually.

Principal risks include: -

- Decline in student recruitment
- Regulatory or funding changes
- Denominational shifts
- Decline in Fundraising

Mitigations include:

- diversification of income streams,
- enhanced marketing,
- Recruitment investment
- close OfS engagement,
- Membership of professional bodies for support and development training
- and strengthened governance.

The CLT additionally has an internal and detailed risk management document which flags any immediate risks on the horizon, both external and internal. At any point this can be escalated to the Trustees for their awareness and action.

Fundraising Statement
Nazarene Theological College did not employ any professional fundraisers or commercial participators during the financial year ending 30 June 2025. All fundraising and donor engagement activities were carried out directly by College staff and volunteers under the oversight of the Principal and the Finance and Estates Sub-Committee of the Board of Governors

The College's approach to fundraising is relationship-based and mission-driven, focusing on cultivating individual and institutional support rather than public solicitation. Activities include donor communication through the *Friends of NTC* network, denominational partnerships, and specific appeals linked to bursaries, student hardship funds, and capital improvements

The charity and its representatives are working within the Fundraising *Regulator's Code of Practice*, and received training on the new regulations put in place. The College voluntarily follows best-practice principles for transparency, data protection, and donor care in line with Charity Commission guidance *CC20: Charity Fundraising (2016).*

All fundraising activities are monitored by the Finance and Estates Sub-Committee and reported to the full Board of Governors. Oversight includes ensuring that:
- all donor funds are used in accordance with the purpose for which they were given.
- communications are accurate and respectful; and
- no undue pressure is placed on potential supporters to give.

During the reporting period, no complaints were received from members of the public, donors, or regulators about fundraising activities. NTC has robust measures in place to protect vulnerable people and the wider public during any fundraising or donor engagement activities. These measures include:
- refraining from intrusive or persistent solicitation.
- ensuring that all communications uphold the College's Christian ethos and respect personal privacy.
- ensuring that no individual is placed under pressure to give.
- offering clear opt-out mechanisms for all communications; and
- providing staff and volunteers with guidance on ethical fundraising and data protection.

The College's fundraising activities are modest in scale, transparent in process, and grounded in its ethos of integrity, hospitality, and accountability. Trustees are satisfied that all fundraising during 2024–2025 complied fully with Charity Commission and Fundraising Regulator expectations for good governance and ethical practice.

Gifts & Donations Summary (Excluding Student Income)
Headline total: £263,002
Breakdown by source/type
- General (unrestricted) donations:
  - £119,488
- Restricted donations (scholarships, hardship, designated projects incl. Principal's Project):
  - £143,514

Denominational grant (General Church of the Nazarene – operations grant): £50,832
- UK church contributions (district/local church giving): £50,606
- Alumni & "Friends of NTC" giving / appeals: £45,289
- Trusts & foundations / project grants: £27,000
- Legacies received (if any): £10,000

- Gift Aid reclaimed: £6,898

Funds held as custodian trustee on behalf of others
NTC does not act as a custodian Trustee on behalf of others.

Statement of responsibilities of the trustees
The trustees (who are also the members of the Board of Governors) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Charities Act 2011 and applicable United Kingdom Accounting Standards, including the Charities SORP (FRS 102). This responsibility is accepted collectively by the Board as part of their duty to ensure that the College's reporting demonstrates transparency, accountability, and integrity.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year that give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing those statements, the trustees confirm that we have fulfilled or authorised the following:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles set out in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice 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.

These duties are carried out in full recognition that the trustees bear ultimate responsibility for the accuracy and completeness of the College's published financial information.

We recognise that the trustees are responsible for keeping proper 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 and the College's Constitution. They are also responsible for safeguarding the assets of the charity and therefore for taking reasonable steps for the prevention and detection of fraud and other irregularities. In fulfilling this responsibility, trustees affirm their commitment to robust internal controls and to ensuring that stewardship of resources remains sound and accountable.

We acknowledge that the trustees are further responsible for the maintenance and integrity of the corporate and financial information included on the College's official website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The trustees confirm that, to the best of their knowledge, all information published by the College is accurate, transparent, and prepared in accordance with applicable law and good governance practice.

The Board of Governors confirms that, in approving the 2024–2025 financial statements, it has fulfilled all of the above responsibilities and ensured that the accounts present a true and fair view of the College's affairs at 30 June 2025. Trustees reaffirm their collective accountability for the stewardship of the College's assets, the integrity of its financial reporting, and the faithful advancement of its charitable purposes.

27. The statement of internal control:
In accordance with paragraph 27 of the Office for Students Accounts Direction 9, this statement outlines how the institution has applied the principles of internal control during the reporting period.

a. Identifying and managing risk should be an ongoing process linked to achieving the organisation's objectives.

Risk identification and management are continuous processes integral to the College's strategic and operational activities. Risks are identified at multiple levels (strategic, operational, project-specific) and linked directly to College's objectives. These risks are captured in a central institutional risk register, which is reviewed and updated regularly by senior management. When working with contractors for different projects, the risk is assessed by the contractor and any necessary documentation is held by the contractor, with a copy given to the College.

b. The approach to internal control should be risk-based, including an evaluation of the likelihood and impact of risks becoming a reality.
Internal control measures are applied using a risk-based approach, ensuring that resources are directed toward mitigating those risks assessed as having the greatest potential impact and likelihood. A formal scoring system is used to evaluate and prioritise risks, helping management and the governing body focus on areas of highest exposure. These risks are regularly reviewed and mitigations put in place in order to prevent any risk from materialising.

c. Review procedures must cover business, operational and compliance risk as well as financial risk.
Risk reviews cover a wide range of categories including:

- **Business risk** (e.g., student recruitment, competition, reputational issues),
- **Operational risk** (e.g., IT systems, service delivery),
- **Compliance risk** (e.g., regulatory obligations, legal matters),
- **Financial risk** (e.g., budget management, cash flow, financial sustainability).

These reviews are conducted through management reporting, external audits, specialist reviews (where necessary), and oversight by the Risk, Audit and Governance Committee. The sections of the Risk Register include Governance & Leadership; Academic Risk; Employment Risks; Systems & Procedures; Financial Risk; Compliance Risk and Reputational Risk.

d. Risk assessment and internal control should be embedded in ongoing operations.
Risk management responsibilities are embedded within operational roles. Staff are supported by a framework of policies, procedures, and guidance that reinforce good risk management practices. Regular training and communications ensure that all relevant staff understand their responsibilities in managing risk and maintaining effective internal controls.

e. During the year the governing body or relevant committee should receive regular reports on internal control and risk.
The Risk, Audit and Governance Committee receives regular reports on the College's risk register, risk movements, and mitigation actions. These reports are escalated to the governing body, along with assurance updates on financial and compliance controls as required. Any emerging or escalated risks are discussed in real time with appropriate corrective measures taken where necessary.

f. The principal results of risk identification, risk evaluation and the management review of the effectiveness of the arrangements should be reported to, and reviewed by, the governing body.
The governing body receives the key outcomes of risk identification, evaluation, and control effectiveness assessments via structured reporting from management and the Risk, Audit and Governance Committee. This includes assurance of:

- Changes in risk scores,
- Significant events or near misses,
- Results of independent assessments (e.g., from external consultants or reviews),
- Follow-up actions on previously identified issues.

g. The governing body should acknowledge that it is responsible for ensuring that a sound system of internal control is maintained, and that it has reviewed the effectiveness of these arrangements.

The governing body acknowledges its ultimate responsibility for the College's system of internal control. During the year, it has reviewed the effectiveness of these arrangements through reports from the Risk, Audit and Governance Committee, the Finance and Estates committee, financial monitoring, risk reports, and the findings of external auditors. The College recognises the need for continued development of internal control processes in line with sector best practice.

h. The statement of internal control must set out any significant internal control weaknesses or failures that have arisen during the financial year or after the year-end but before the financial statements are signed.

During the financial year and the period up to the approval of the financial statements:

- **No significant internal control weaknesses or failures** were identified that would have materially affected the achievement of strategic objectives, the financial position, or the reputation of the institution.

This assessment was made with reference to the following criteria:

- Impact on achievement of strategic objectives;
- Material impact on financial reporting;
- Diversion of resources from core activities;
- Views of the Risk, Audit and Governance Committee
- Views of external auditors;
- Potential for reputational or sector-wide implications.

i. The statement of internal control explains the role of external audit and, where in place, internal audit in improving the internal control environment and provider's performance in the delivery of value for money.

As the institution does not operate an internal audit function, it places additional reliance on:

- **External audit**, which provides an annual independent opinion on the financial statements and evaluates internal control aspects relevant to financial reporting.
- **Management assurance** through regular self-assessment and control reporting.
- **Targeted external consultancy or independent reviews**, commissioned as needed for assurance in high-risk or complex areas.

The external auditor plays a key role in improving the internal control environment by identifying areas for improvement through audit findings and by assessing the institution's arrangements for delivering value for money.

Auditors

Slade & Cooper Ltd were re-appointed as the charity's auditors during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 21/11/2025 and signed on their behalf by

Mr. Ian Burleigh
Chair

Independent Auditors' Report

to the members and trustees of

Nazarene Theological College

Opinion

We have audited the financial statements of Nazarene Theological College (the 'charity') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025, 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.
- Where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's accounts direction have been met.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement 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.

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 trustees' responsibilities statement set out on page 18, the trustees are responsible for the preparation of financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- enquiry of management and those charged with governance around actual and potential litigation and claims.

- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.

- reviewing minutes of meetings of those charged with governance.

- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Slade & Cooper Limited
Statutory Auditors
Beehive
Jersey Street
Manchester
M4 6JG

Date: 25th November 2025

Slade & Cooper Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Nazarene Theological College

Statement of Financial Activities
for the year ended 30 June 2025

	Note	Unrestricted funds £	Restricted funds £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	3	119,488	143,514	263,002	*310,946*
Charitable activities:	4	1,128,868	-	1,128,868	*1,114,315*
Other trading activities	5	204,108	-	204,108	*201,912*
Investments	6	6,186	6,132	12,318	*14,058*
Total income		**1,458,650**	**149,646**	**1,608,296**	***1,641,231***
Expenditure on:					
Charitable activities:	8	1,474,162	126,308	1,600,470	*1,626,819*
Total expenditure		**1,474,162**	**126,308**	**1,600,470**	***1,626,819***
Net income/(expenditure) before net gains/(losses) on investments		(15,512)	23,338	7,826	*14,412*
Realised/unrealised gains/(losses) on investments		2,564	-	2,564	*1,074*
Net income/(expenditure) for the year	10	**(12,948)**	**23,338**	**10,390**	***15,486***
Transfer between funds		(59,549)	59,549	-	-
Net movement in funds for the yea		**(72,497)**	**82,887**	**10,390**	***15,486***
Reconciliation of funds					
Total funds brought forward		2,556,552	494,300	3,050,852	*3,035,366*
Total funds carried forward		**2,484,055**	**577,187**	**3,061,242**	***3,050,852***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Nazarene Theological College

Balance Sheet
as at 30 June 2025

	Note	2025 £	2025 £	*2024* £	*2024* £
Fixed assets					
Tangible assets	16		1,950,652		*1,983,011*
Investments	17		165,039		*162,475*
Total fixed assets			**2,115,691**		***2,145,486***
Current assets					
Debtors	19	224,294		*207,932*	
Cash at bank and in hand	20	1,060,916		*986,415*	
Total current assets		**1,285,210**		***1,194,347***	
Liabilities					
Creditors: amounts falling due in less than one year	21	(227,552)		*(158,750)*	
Net current assets			**1,057,658**		***1,035,597***
Total assets less current liabilities			3,173,349		*3,181,083*
Creditors: amounts falling due after more than one year	23		(112,107)		*(130,231)*
Net assets			**3,061,242**		***3,050,852***
Funds of the charity:					
Restricted income funds	24		577,187		*494,300*
Unrestricted income funds	25		2,484,055		*2,556,552*
Total charity funds			**3,061,242**		***3,050,852***

The notes on pages 27 to 48 form part of these accounts.

Approved by the trustees on 21/11/2025 and signed on their behalf by:

Mr. Ian Burleigh (Chair)

Dr D Brower Latz (Principal)

Nazarene Theological College

Statement of Cash Flows
for the year ending 30 June 2025

	Note	2025 £	*2024* *£*
Cash provided by/(used in) operating activities	29	**91,828**	***(33,399)***
Cash flows from investing activities:			
Dividends, interest, and rents from investments		12,318	*14,058*
Purchase of tangible fixed assets		(12,578)	*(108,780)*
Cash provided by/(used in) investing activities		**(260)**	***(94,722)***
Cash flows from financing activities:			
Repayment of borrowing		(17,067)	*(15,486)*
Cash provided by/(used in) financing activities		**(17,067)**	***(15,486)***
Increase/(decrease) in cash and cash equivalents in the year		74,501	*(143,607)*
Cash and cash equivalents at the beginning of the year		986,415	*1,130,022*
Cash and cash equivalents at the end of the year		**1,060,916**	***986,415***

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Nazarene Theological College meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

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 is classified under the following activity headings:

- Costs of raising funds comprise the costs of raising donations and their associated support costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated entirely to charitable activities, which reflect the use of resources.

¡ Bursaries payable

Bursaries payable are recognised in the year when an award has been approved by the trustees through the budget setting process and communicated to the recipient during the year by the finance team. Where such bursaries have not yet been paid at the end of the year, they are included within current liabilities.

j Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

k Tangible fixed assets

Individual fixed assets costing £2000 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Land and buildings	-	1% straight line
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	33% reducing balance

l Fixed asset investments

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

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

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

m Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q Pensions

The charity contributes to defined contribution pension schemes on behalf of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees and it has no other liabilities to these schemes.

2 Legal status of the charity

The charity is an unincorporated charity, registered as a charity in England & Wales.

3 Income from donations and legacies

Current reporting period	Unrestricted £	Restricted £	Total 2025 £
Donations	119,488	143,514	263,002
Total	119,488	143,514	263,002

Previous reporting period	*Unrestricted £*	*Restricted £*	*Total 2024 £*
Donations	*115,018*	*195,928*	*310,946*
Total	*115,018*	*195,928*	*310,946*

4 Income from charitable activities

Current reporting period	Unrestricted £	Restricted £	Total 2025 £
Grant and fee income			
Grant income from OFS	17,124	-	17,124
Fee income from taught awards	528,210	-	528,210
Fee income from research awards	463,499	-	463,499
Fee income from non-qualifying courses	18,555	-	18,555
Bookshop sales	42	-	42
Education services grants (KC)	50,832	-	50,832
District budgets	50,606	-	50,606
Total	1,128,868	-	1,128,868

Previous reporting period	*Unrestricted £*	*Restricted £*	*Total 2024 £*
Grant and fee income			
Grant income from OFS	*17,822*	-	*17,822*
Fee income from taught awards	*520,579*	-	*520,579*
Fee income from research awards	*454,539*	-	*454,539*
Fee income from non-qualifying courses	*27,375*	-	*27,375*
Bookshop sales	*11*	-	*11*
Education services grants (KC)	*54,102*	-	*54,102*
District budgets	*39,887*	-	*39,887*
Total	*1,114,315*	-	*1,114,315*

5 Income from other trading activities

	2025 £	*2024* *£*
Lettings and commissions	204,108	*201,912*
	204,108	*201,912*

All income from other trading activities is unrestricted.

6 Investment income

Current reporting period

	Unrestricted £	Restricted £	Total 2025 £
Income from bank deposits	3,381	6,132	9,513
Income from investment properties	2,640	-	2,640
Other investment income	165	-	165
	6,186	6,132	12,318

Previous reporting period

	Unrestricted *£*	*Restricted* *£*	*Total 2024* *£*
Income from bank deposits	*5,000*	*6,264*	*11,264*
Income from investment properties	*2,640*	-	*2,640*
Other investment income	*154*	-	*154*
	7,794	*6,264*	*14,058*

7 Analysis of expenditure on charitable activities by fund type

Current reporting period	Unrestricted funds £	Restricted funds £	Total 2025 £
Facilities	263,881	-	263,881
Education	702,468	126,308	828,776
Support costs (see note 9)	507,813	-	507,813
	1,474,162	126,308	1,600,470

Previous reporting period	*Unrestricted funds £*	*Restricted funds £*	*Total 2024 £*
Facilities	*279,572*	*29,469*	*309,041*
Education	*743,502*	*54,682*	*798,184*
Support costs (see note 9)	*519,594*	*-*	*519,594*
	1,542,668	*84,151*	*1,626,819*

In accordance with the Access and Participation Plan, this year the College has spent £37,149 (2024: £28,896) on Access Investment, £4,525 (2024: £2,940) on Financial Support bursaries for students from underrepresented groups, and £3,379 (2024: £7,956) on hardship funds. In addition, £2,000 (2024: £2,000) has been spent on Research and Evaluation Investment for new courses, £20,229 on learning enhancement staff, £5,000 on supporting online students, and £8,200 on disability access.

8 Analysis of expenditure on charitable activities by activity type

Current reporting period	Activities undertaken directly £	Support costs £	Total 2025 £
Facilities	263,881	464,662	728,543
Education	828,776	29,438	858,214
Governance costs	-	13,713	13,713
	1,092,657	507,813	1,600,470

8 Analysis of expenditure on charitable activities by activity type (continued)

Previous reporting period	*Activities undertaken directly £*	*Support costs £*	*Total 2024 £*
Facilities	*309,041*	*477,048*	*786,089*
Education	*798,184*	*29,776*	*827,960*
Governance cost	*-*	*12,770*	*12,770*
	1,107,225	*519,594*	*1,626,819*

9 Analysis of support costs

Current reporting period	Basis of apportionment	Facilities £	Education £	*Total 2025 £*
Staff costs		260,391	-	260,391
General office		85,573	-	85,573
Finance costs		13,447	-	13,447
Governance costs		13,713	-	13,713
Travel and accommodation		8,785	-	8,785
Publicity		35,214	-	35,214
Events		12,500	-	12,500
Depreciation		44,937	-	44,937
Professional costs and sundries		3,815	29,438	33,253
		478,375	29,438	507,813

Previous reporting period	*Basis of apportionment*	*Facilities £*	*Education £*	*Total 2024 £*
Staff costs		*269,526*	*-*	*269,526*
General office		*73,566*	*-*	*73,566*
Finance costs		*9,625*	*-*	*9,625*
Governance costs		*12,770*	*-*	*12,770*
Travel and accommodation		*15,782*	*-*	*15,782*
Publicity		*35,602*	*-*	*35,602*
Events		*15,801*	*-*	*15,801*
Depreciation		*47,177*	*-*	*47,177*
Professional costs and sundries		*9,969*	*29,776*	*39,745*
		489,818	*29,776*	*519,594*

10 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2025 £	*2024 £*
Depreciation	44,937	*44,102*
Operating lease rentals:		
Equipment	5,908	*5,614*
Auditor's remuneration - audit fees	5,525	*5,260*
Auditor's remuneration - accountancy fees	1,995	*1,900*
Auditor's remuneration - grant audit	315	*300*

Also included within expenditure are bursaries and scholarships of £94,889 (2024: £106,464) of which £43,604 (2024: £54,682) was paid from restricted funds.

11 Staff costs

Staff costs during the year were as follows:

	2025 £	*2024 £*
Wages and salaries	837,348	*794,310*
Social security costs	54,521	*60,763*
Pension costs	20,752	*21,662*
	912,621	*876,735*

No employee has employee benefits in excess of £60,000 (2024: Nil).

The average number of staff employed during the period was 46 (2024: 50).
The average full time equivalent number of staff employed during the period was 25.5 (2024: 27.4) and is analysed as follows:

The key management personnel of the charity comprise the trustees, the Principal and Vice-Principals. The total employee benefits of the key management personnel of the charity were £139,205 (2024: £133,133)

11 Staff costs (continued)

	2025 No.	*2024* *No.*
Academic	8.9	*9.6*
Student support	4.0	*4.4*
Administration	6.1	*6.6*
Chaplaincy	0.6	*0.7*
Housekeeping	1.9	*1.0*
Library	0.7	*0.8*
Manchester Wesley Research Centre	0.2	*1.1*
Maintenance	1.5	*1.5*
Publicity and recruitment	1.4	*1.5*
Archivist	0.2	*0.2*
	25.5	*27.4*

Head of Provider

	2025 £	*2024* *£*
Gross Salary	42,849	*43,036*
Employer Pensions Contribution	1,286	*1,291*
Employer National Insurance Contribution	4,913	*4,684*
	49,048	*49,011*

This remuneration package is in line with others in the School of Theology sector and is in line with value and performance delivered. The performance is reviewed annually by the Board of Governors and the Remuneration is set by the Board of Governors, having due consideration to performance and sector wide factors.

i) The head of the providers' basic salary is 1.4 (2024: 1.3) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff

ii) The head of the providers' total remuneration is 1 (2024: 1.1) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

12 Pensions and other post retirement benefits

The amount recognised in expenditure as an expense in relation to defined contribution plans was £20,752 (2024: £21,662)

Pension costs are attributed to the activities in which those employees for whom they relate are engaged.

13 Trustee remuneration and expenses, and related party transactions

One (2024: none) trustee received remuneration for teaching during the year of £1,835 (2024: £nil).

One (2024: one) trustee received travel and subsistence expenses during the year of £440 (2024:£393).

Unrestricted donations of £8,429 (2024: £6,756) were received from trustees during the year.

Income of £27,500 (2024: £15,500) was received from the Church of the Nazarene British Isles Southern District, of which Reverend C McCann is also a trustee.

Income of £21,600 (2024: £24,387) was received from the Church of the Nazarene British Isles Northern District, of which Revd R Turner is also a trustee.

Deirdre Brower Latz, the Principal of the college, who also became a trustee during the year, received remuneration of £49,048 from her employment as the College Principal.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2024: £nil).

14 Government grants

The government grants recognised in the accounts were as follows:

	2025 £	*2024* *£*
OFS	17,124	*17,822*
	17,124	*17,822*

15 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

16 Fixed assets: tangible assets

	Land and buildings	Fixtures and fittings	Equipment	Total
Cost	£	£	£	£
At 1 July 2024	2,327,225	274,191	46,973	2,648,389
Additions	-	12,578	-	12,578
Disposals	-	-	-	-
At 30 June 2025	2,327,225	286,769	46,973	2,660,967
Depreciation				
At 1 July 2024	440,948	189,078	35,352	665,378
Charge for the year	23,272	16,014	5,651	44,937
Disposals	-	-	-	-
At 30 June 2025	464,220	205,092	41,003	710,315
Net book value				
At 30 June 2025	1,863,005	81,677	5,970	1,950,652
At 30 June 2024	*1,886,277*	*85,113*	*11,621*	*1,983,011*

17 Investments

	2025 £	*2024* *£*
Market value at the start of the year	162,475	*161,401*
Add: additions to investments at cost	-	-
Disposals at carrying value	-	-
Add net gain/(loss) on revaluation	2,564	*1,074*
	165,039	*162,475*
Cash held by investment broker pending reinvestment	-	-
Market value at the end of the year	165,039	*162,475*
Investments at fair value comprised:		
Listed investments	6,706	*4,142*
Investment properties	158,333	*158,333*
	165,039	*162,475*

Investments are all held at valuation.

Investment properties

The investment property was revalued on 24 June 2022 by Richard N D Smith BSc (Hons), MRICS on behalf of Fifield Glyn Chartered Surveyors.

Financial assets held at fair value

Investments in listed shares are stated at their market value at the balance sheet date.

18 Net gains on investments

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted funds £	Total Funds 2024 £
Gains/(losses) on listed investments	2,564	2,564	1,074	1,074
	2,564	2,564	1,074	1,074

19 Debtors

	2025 £	*2024 £*
Trade debtors	169,618	*148,424*
Prepayments and accrued income	54,676	*59,508*
	224,294	*207,932*

20 Cash at bank and in hand

	2025 £	*2024 £*
Cash at bank and on hand	1,060,916	*986,415*
	1,060,916	*986,415*

21 Creditors: amounts falling due within one year

	2025 £	*2024* *£*
Bank loans and overdraft	17,753	*16,696*
Trade creditors	110,905	*81,865*
Other creditors and accruals	43,174	*39,283*
Deferred income	34,406	*500*
Taxation and social security costs	21,314	*20,406*
	227,552	*158,750*

22 Deferred income

	2025 £	*2024* *£*
Projects	26,870	*500*
Accommodation income	7,536	-
Deferred grant carried forward	34,406	*500*

£26,870 relates to income for awards and income projects designated for 2025-2026 financial year (2024: income for an award designated for 2024-2025 financial year).

23 Creditors: amounts falling after more than one year

	2025 £	*2024* *£*
Bank loans and overdrafts	112,107	*130,231*
	112,107	*130,231*

The Bank loans of £129,860 (2024: £146,927) are secured by a first legal charge over the charity's property at Dene House, Didsbury, which is included in the accounts at net book value of £1,863,005.

Included within creditors: amounts falling due after more than one year is an amount of £55,230 (2024: £60,283) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Mortgage payments falling due after more than five years are due to be paid in instalments. The loans are repaid on variable interest basis, and as such instalments will vary from current rate of £2,106 per month, including interest at the rate applicable at the time.

24 Analysis of movements in restricted funds

Current reporting period	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2025 £
Student Scholarship Fund	259,470	75,000	(43,604)	33,037	323,903
Development Fund	221,503	64,390	(81,527)	37,353	241,719
Scottish School of Christian Mission	13,327	-	-	(13,327)	-
Student Body Council	-	1,859	(1,177)	2,486	3,168
MCSCI	-	8,397	-	-	8,397
Total	494,300	149,646	(126,308)	59,549	577,187

24 Analysis of movements in restricted funds (continued)

Previous reporting period	*Balance at 1 July 2023 £*	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 30 June 2024 £*
Student Scholarship Fund	*234,585*	*79,567*	*(54,682)*	*-*	*259,470*
Development Fund	*128,346*	*122,626*	*(29,469)*	*-*	*221,503*
Scottish School of Christian Mission	*13,327*	*-*	*-*	*-*	*13,327*
Total	*376,258*	*202,193*	*(84,151)*	*-*	*494,300*

The Student Scholarship Fund is made up of individual donations with specific instructions how the money should be used, according to the wishes of individual donors.

The Development Fund includes donations made to the annual Principal's Project and expenditure relating thereto.

The Scottish School of Christian Mission Fund represents monies received from that institution when its work was incorporated into that of the Nazarene Theological College, to be used for student bursaries only.

Student Body Council represents monies received for the Student Body membership fees and are used for the purposes of Student Body events.

The funds given by MCSCI are designated for publications, education and students all engaged in, or related to in Islam and Christian conversation.

25 Analysis of movement in unrestricted funds

Current reporting period	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	As at 30 June 2025 £
General fund	2,556,552	1,458,650	(1,474,162)	(59,549)	2,564	2,484,055
	2,556,552	1,458,650	(1,474,162)	(59,549)	2,564	2,484,055

Previous reporting period	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	As at 30 June 2024 £
General fund	2,659,108	1,439,039	(1,542,668)	-	1,073	2,556,552
	2,659,108	1,439,039	(1,542,668)	-	1,073	2,556,552

Name of	Description, nature and purposes of the fund
General fund	Unrestricted funds

26 Analysis of net assets between funds

Current Reporting Period	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	1,950,652	-	-	1,950,652
Fixed asset investments	165,039			165,039
Net current assets/(liabilities)	480,471	-	577,187	1,057,658
Creditors of more than one year	(112,107)	-	-	(112,107)
Total	2,484,055	-	577,187	3,061,242

Previous Reporting Period	*General fund £*	*Designated funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*1,983,011*	*-*	*-*	*1,983,011*
Fixed asset investments	*162,475*	*-*	*-*	*162,475*
Current assets	*541,296*	*-*	*494,300*	*1,035,596*
Creditors of more than one year	*(130,231)*	*-*	*-*	*(130,231)*
Total	*2,556,551*	*-*	*494,300*	*3,050,851*

27 Analysis of changes in net debt

	At 1 Jul 2024 £	Cash flows £	At 30 Jun 2025 £
Cash at bank and in hand	986,415	74,501	1,060,916
Debt due within one year	(16,696)	(1,057)	(17,753)
Debt due after one year	(130,231)	18,124	(112,107)
	839,488	91,568	931,056

28 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment	
	2025	*2024*
	£	*£*
Less than one year	4,299	*4,408*
One to five years	16,122	-
	20,421	*4,408*

29 Reconciliation of net movement in funds to net cash flow from operating activities

	2025	*2024*
	£	*£*
Net income/(expenditure) for the year	10,390	*15,486*
Adjustments for:		
Depreciation charge	44,937	*44,102*
(Gains)/losses on investments	(2,564)	*(1,074)*
Dividends, interest and rents from investments	(12,318)	*(14,058)*
Repayment of borrowing	17,067	*15,486*
Decrease/(increase) in debtors	(16,362)	*(16,473)*
Increase/(decrease) in creditors	50,678	*(76,868)*
Net cash provided by/(used in) operating	91,828	*(33,399)*

30 Prior year Statement of Financial Activities (including Income and Expenditure account)

	Unrestricted funds £	*Restricted funds £*	*Total funds 2024 £*	*Total funds 2023 £*
Income from:				
Donations and legacies	*115,018*	*195,928*	*310,946*	*365,167*
Charitable activities:	*1,114,315*	*-*	*1,114,315*	*1,138,030*
Other trading activities	*201,912*	*-*	*201,912*	*213,005*
Investments	*7,794*	*6,264*	*14,058*	*5,961*
Total income	***1,439,039***	***202,192***	***1,641,231***	***1,722,163***
Expenditure on:				
Raising funds	*-*	*-*	*-*	*-*
Charitable activities:	*1,542,668*	*84,151*	*1,626,819*	*1,683,236*
Total expenditure	***1,542,668***	***84,151***	***1,626,819***	***1,683,236***
Net income/(expenditure) before net gains/(losses) on investments	*(103,629)*	*118,041*	*14,412*	*38,927*
Realised/unrealised gains/(losses) on investments	*1,074*	*-*	*1,074*	*359*
Net income/(expenditure) for the year	***(102,555)***	***118,041***	***15,486***	***39,286***
Transfer between funds	*-*	*-*	*-*	*-*
Net movement in funds for the year	***(102,555)***	***118,041***	***15,486***	***39,286***
Reconciliation of funds				
Total funds brought forward	*2,659,108*	*376,258*	*3,035,366*	*2,996,080*
Total funds carried forward	***2,556,553***	***494,299***	***3,050,852***	***3,035,366***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

NAZARENE THEOLOGICAL COLLEGE

England & Wales - Charity number 526675

Accounts

Charity Number: 526675

NAZARENE THEOLOGICAL COLLEGE

Financial Statements and Governors' Report
for the year ended 30th June 2024

Nazarene Theological College
Report of the Board of Governors
For the year ended 30th June 2024

The Board of Governors presents its report and audited financial statements from 1st July 2023 to 30th June 2024.

Reference and Administrative Details

Names of the charity trustees who manage the charity and were in place in 2023-2024.

Name	Position on Governors	Voting member y/n	Term	Body of Appointment	Committee
1. Mr. Ian Burleigh	Chair Member at large	Yes	Jan 26th 2019-(Jan 2022) Jan 22-Mar 2025	National Board Appointee: section 3	Risk, Audit Governance/ Remuneration/ FINANCE and ESTATES COMMITTEE/ right of all committees
2. Mr. Philip Howard	Vice Chair Member at large	Yes	Nov 21-Nov 2024	National Board Appointee: Section 3	Risk, Audit Governance/ FINANCE and ESTATES COMMITTEE/ Remuneration
3. Mr Steven Leach	Secretary Member at large	Yes	Jan 26th 2019- Jan 2022 Jan 22-Mar 2025	National Board Appointee: Section 3	Risk, Audit Governance/Compliance and Employment
4. Rev. Carl McCann	Ex officio	Yes	April 17th 2021 4 year term	British Isles South District	Risk, Audit Governance/ Remuneration/ FINANCE and ESTATES COMMITTEE
5. Rev. Ruth Turner	Ex officio	Yes	May 15th 2021 2 year term March 2024 4 year term	British Isles North District	Risk, Audit Governance
6. Rev Deirdre Brower Latz	Ex officio	Yes	13/11/2024		Risk, Audit /Governance & Finance - right of all committees
7. Ms Esther Newton	Student Body President	Yes	-May 24-May 2025		ETHOS, COMMUNITY, & RECRUITMENT
8. Mr. Finlay MacKinnon	District lay representative	Yes	Mar 14th 2022-Mar 2025	British Isles North District	Academic and Educational Quality
9. Mr. Graham Greenlee	District lay representative	Yes	March 11th 2024-March 2027	British Isles North District	Academic and Educational Quality
10. Rev. Lorraine Bell	District elder in representative	Yes	April 17th 2021-Mar 2024 Mar 11th 2024-2027	British Isles North District	ETHOS, COMMUNITY, & RECRUITMENT
11. Rev. Dr. Ken Baker	District elder representative	Yes	March 9th 2024-2027	British Isles South District	ETHOS, COMMUNITY, & RECRUITMENT
12. Mr Mark Bolton	District lay the representative	Yes	March 9th 2024-2027	British Isles South District	COMPLIANCE & EMPLOYMENT
13. Mrs Helen Roberts	District lay representative	Yes	Appointed 10 March 2023 – March 2026	British Isles South District	COMPLIANCE & EMPLOYMENT

14. Rev. Arthur Snjiders	Member at large	Yes	Nov 28th 2020-Nov 2023 Nov 2024-2027	National Board Appointee: Section 3	Academic and Educational Quality
15. Mr. Gareth Lawson	**Board co-option**	**No**	**April 17th 2021-Nov 2024**	**Board of Governors Section 5**	**STRATEGY, INNOVATION & CHANGE ADVISORY GROUP FINANCE & ESTATES**
16. Mrs. Rosemary Arnold Knights	**Board co-option**	**No**	**Nov 28t Kim h 2020-May 2023 May 2023-May 2026 Second term May 2023-Nov 2026**	**Board of Governors Section 5**	**ETHOS, COMMUNITY, & RECRUITMENT**
17. Mrs. Shirley Berry	**Board co-option**	**No**	**Jan 2023-Jan 2026**	**Board of Governors Section 5**	**ETHOS, COMMUNITY, & RECRUITMENT**
18. Mr Iain McGookin	**Board co-option**	**No**	**May 2025-May 2028**	**Board of Governors Section 5**	**COMPLIANCE**
19. 19. Rev. Antonie Holleman	**Regional Education Coordinator Ex officio**				**TBD**
For circulation/Minutes					
Rev. Dr. Klaus Arnold	Commissioner International Board of Education	No	2020-	General Church	Academic and Educational Quality
Rev. Mark Louw	New Regional Director	No	2024-	Eurasia Region	
Rev. Jim Ritchie	Eurasia Regional Director	No	2020-Feb 24	Eurasia Region	Academic and Educational Quality

Yellow ex Officio
Peach British Isles South District
Mauve British Isles North District
Co-opted National Board Appointee: Section 3
Co-opted Member at Large: Section 5

Nazarene Theological College
Report of the Board of Governors
For the year ended 30th June 2024

Names of the charity trustees who completed their term of office in 2023-2024.

Rev. Osahon Ogbeiwi served until March 2024.
Mrs. Katy Dawson served until March 2024.
Mr Iain McGookin served until March 2024 (And was subsequently co-opted by the board)

Charity name	Nazarene Theological College
Charity Registration Number	526675
Principal Office	Dene Road Didsbury Manchester M20 2GU

Board of Governors

The Chairman and Vice Chairman are elected by the Governors.

The following trustees are designated to hold title to land and buildings belonging to the charity and are designated to be signatories to mortgages held on behalf of the charity:

Mr. Ian Burleigh (Vice Chair May 2017-2020, Chair 2020-present)
Mr. Steve Leach (Secretary appointed May 2017-present)
Rev. Ruth Turner (Ex Officio and member of the executive, 2020-present)
Rev. Carl McCann (Ex Officio and member of the executive, 2019-present)

The College does not have any funds held as custodian trustees on behalf of others.

Principal staff

Principal	Revd Dr Deirdre Brower Latz
Vice Principal & Academic Dean	Dr Peter Rae
Associate Dean and Research Chair	Rev. Dr. Jacob Lett
Director of Research	Dr. Geordan Hammond
Director of Operations	Ms. Pauline McKendrick
People Advisor	Mrs Debi Green
Finance Manager	Mrs. Simona Stanfield
Finance Consultant	Mr. Andrew Hollingworth

Registered Office

Nazarene Theological College
Dene Road
Didsbury
Manchester
M20 2GU

Website: www.nazarene.ac.uk

Auditors

Slade & Cooper Ltd (appointed April 2023)
Beehive Mill
Jersey St
Ancoats
Manchester
M4 6JG

Bankers

Barclays Bank PLC
1st Floor
3 Hardman Street
Spinningfield
Manchester
M3 3HF

Reliance Bank Limited
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Solicitors

Anthony Collins Solicitors
134 Edmund St,
Birmingham B3 2ES

Our Objectives and Activities

Purposes and aims

Our charity's purposes are set out in the objects of the charity which are to foster, promote and maintain theological higher education in harmony with the Manual of the Church of the Nazarene, as interpreted by the General Assembly of the Church of the Nazarene in session from time to time.

The aims of our charity will include, but not be limited to,

a) Operating as an institution within the Higher Education sector in the United Kingdom but as an integral part of the Church of the Nazarene, the College shall serve the UK and global Nazarene community as well as the wider Christian community.
b) Providing the church's philosophical and theological framework which at all times is rooted in the biblical and doctrinal commitments to the Wesleyan tradition and accountable to the stated mission of the denomination.
c) Guiding all those who participate in its life by accepting, nurturing and expressing in service to the church and the world a consistent and coherent Christian understanding of social and individual behaviour.
d) Providing a curriculum quality of instruction and evidence of scholarly achievement that will prepare graduates at both undergraduate and postgraduate levels to function effectively in the various vocations of Christian discipleship and ministry.

Activities

The Officers of the College work on the annual monitoring and evaluation of the current strategy. Full reports are given to the Governors on the progress being made towards the fulfilment of the agreed vision and direction of the institution.

The activities of the College continued within the vision, strategy and direction reflecting the context of the UK in relation to the on-going societal changes experienced because of Covid, inflation and interest rate changes in the Bank of England. The wider economic context impacts the College in a variety of ways, from student recruitment to managing costs.

In this year:

The Governors of the College consider that the College's aims, objectives and activities as described herein demonstrate proof of public benefit in the advancement of religion and in the advancement of education. Within its core operations the College offers a non-discriminatory policy assuring the mission, vision, values and ethos of the College are upheld. The Governors spent time considering the Vision, Ethos and culture that undergirds all strategy.

In addition, through the work of the ancillary services additional public benefit is served. These include, but are not limited to,

a) Providing access to the College's library facilities to external memberships
b) Providing access to the resources and library of *the Manchester Wesley Research Centre* which is housed within the College's facilities
c) Providing access to the resources and library of the *Manchester Centre for the Study of Christianity and Islam* which is housed within the College's facilities
d) Providing access to the resources and library of the Manchester based arm of the *Movement for Justice and Reconciliation.*

e) Providing access to the College's facilities for use by local organisations, other educational bodies, churches, public open days and through participation in local and national community events.
f) Assisting students as and when practicable and necessary through a policy of bursaries or hardship grant aid in order to meet their tuition and living costs.

Achievements and performance: The focus of our work

The key areas of focus of the College personnel and Governors continue to include the following, which reflects past, present and future actions:

a) Agreement and implementation of the Strategic objectives of the College centred upon key areas:
   - Identification of the Foundation on which the College is built
   - Institutional Identity
   - Academic Development that is research led and practice driven
   - Christ-like community formation
b) Areas of focus were reviewing and enhancing:
   - Partnership and Collaborative Development
   - Administrative Development
   - Finance and Fundraising
   - Faculty Development
   - Publicity and Recruitment
b) Continuing Course Delivery of our undergraduate programmes.
c) Prepare a plan for hybrid delivery including online markets
d) On-going registration of the College with the UK Borders Agency as a Tier 4 sponsor for students has been maintained and our sponsorship is carefully monitored. This was reviewed in the year and continued.
e) The College received an overall satisfaction rating in the National Student Survey for 2023-24 of 92% (against the sector average of 71%). We are reviewing the responses to those questions we received lower than 100% and are responding to them as we are able. They focus on three areas: mental health support; access to e-materials and digital learning and student expression.
f) Key personnel appointed in both student support and administrative areas ensure the smooth running of academic administration and high level of professionalism.
g) New Registrar's appointed and a new administrative and admissions team have taken our admissions processes forward
h) Fully transitioned Post-graduate degree support to Dr. Lett.
i) Fully transitioned the Director of Research from Dr. Hammond to identify Dr. Hildebrandt as a successor
j) Access to learning through increased investment in digital learning materials.
k) Continued investment in onsite campus-based IT in order to ensure our communication and digital services continue to be excellent.
l) Major investment in servers to support the development of online learning and the ongoing robustness of the systems.
m) Fundraising programmes to secure funding for the future, including developing Legacy giving,
n) Library support and funds for Campus development continued to be a focus,
o) Funds were received for reroofing of campus buildings, refurbishment of some areas and increased efficiencies in new boilers across the property.
p) 'Friends of NTC' with the Vice-Principal, Dr. Peter Rae and Mr. Steven Clarkson overseeing this area has continued.
q) Accessing Government provision as enabled, particularly focussing on the Access and Participation Plan.
r) Promoting the College in all areas and recruiting students at both undergraduate and postgraduate levels.

s) Non-validated online courses in order to serve constituents and develop our profile including the development and delivery of a new pre-degree programme called 'Theological Foundations' is underway with monitoring on the impact of these programmes
t) Attract and support students from non-traditional backgrounds focussing on progression.
u) Invested in research for developing online community in order to ensure we can meet our objectives in this area.
v) Investing in the development of a new programme in Counselling which will be taken to the University for approval in Autumn of 2024 for recruitment in 2025.

Academic Achievements and Performance

The College is a partner college of the University of Manchester and its awards, from the Diploma to the PhD, are validated through The University of Manchester. The validation of NTC through the University of Manchester continues as a positive relationship of mutual respect and is valued and nurtured by the College and esteemed highly by its students. This year the College had its revalidation visit and the outcome was positive. The scrutiny of the University commended us in several areas and gave some suggestions for ways we can continue to develop our programmes.

The relationship gives strength to the ongoing strategic goal of the College to offer academic excellence across its programmes.

The College's Degree in Youth Work and Community is transitioning from validation by the National Youth Agency and the teaching-out is nearly complete. A restructuring of the placement based programmes to ensure additional quality assurance is underway for delivery in 2025-2026.

The College runs taught academic programmes at both undergraduate and postgraduate levels; it also supervises Research Degree programmes. Courses commence with a flexible one-year certificate course and continue through to the PhD programme. The range of courses now offered is as follows:

Undergraduate

Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry.
Bachelor of Arts Degree in Theology, Youth Work and Community.
Certificate, Diploma, Bachelor of Arts Degree and Honours of Arts Bachelor Degree in Practical Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology (Biblical Studies)

Postgraduate

Post Graduate Certificate, Diploma and Master of Arts Degree in Theology:
Post Graduate Certificate, Diploma and Master of Arts degree in Theology with streams in a range of areas all approved by the University.

Research degrees at both MPhil and the PhD level (including the Practice-based PhD) are individually pursued by students and supervised by the College; the current number of students on research programmes is 33, with 4 students satisfactorily completing their degrees in the past year.

The College subscribes to the Quality Assurance Agency (QAA), the OfS designated body for quality, to provide assurance that the College is meeting UK expectations for the academic standards of awards offered, and the quality, information and enhancement of learning opportunities provided.

The College has an Access and Participation Plan approved by the Office for Students which is regulated in relation to student admissions, progression and attainment. There are still underlying challenges relating to the deficit background for students from non-traditional backgrounds.

We work within the Home Office Prevent Duty framework to recognise and reduce risks of radicalisation.

International Activity

A number of our faculty continued to be speakers and engaged in professional conferences throughout this year. The cohorts for international students were services through online engagement and the development of a pre-degree programme to ensure early support for student success.

This year a new appointment in International Education was developed and a new appointment will be made in 2025. The ongoing relationship with the International Church of the Nazarene has led to further plans for teaching and engagement in South and Central America, India and in some African Nations.

Non-Academic/Student Support Achievements and Performance

The College offered online Mental Health First Aid courses, and these were very positive. Investment in key bursaries to support developments, hardship and enable students to access learning continued. We have also continued to work towards training and development in antiracist practice.

The roof of the main administrative building at the College was completed as was the new accessibility walkway to the Café area of the campus.

The disability audit recommendations have been mapped onto a development plan for 2024 and beyond. Developed a strategic plan to continue to develop our accessibility.

The College successfully completed a number of data capture pieces of work, including: Office for Students (OfS), Higher education in Alternative Providers Early Statistic Survey (HEAPES), Destination of Leavers from Higher Education (DLHE), National Student Survey, PREVENT, UK Border agency sponsorship regulation, and the USA Veterans Affairs audit. The College has continued to manage its regulatory framework well.

The Compliance committee has been active throughout the year, ensuring that all deadlines are managed and all points of compliance satisfied. Matters emerging from it are considered by the relevant areas of the College, thus centralising our approach, and ensuring internal audits of our policies, procedures and actions are undertaken in a systematised way.

Our finance systems continue to be managed to ensure compliance and efficiency. With Mr. Hollingworth as the Finance Controller, the Supervisor and Student finance managers have continued to develop their skills in leadership as well as robust financial practice. We have carefully managed student debt and have worked to ensure good processes in all our accounting practice.

As a result of a lower than required intake, our new Communication and Marketing Director took a forensic and data based review of all our marketing work. The website had a problem in its site map and some of our data was not captured as well as it might be, the result was a new website, new host, and a new approach to marketing. The impact of that will be rolled out over at least one year, however the immediate signs are positive with increased traffic, engagement and enrolment.

The Constitution is in the process of being amended in accordance with its provisions for Amendments. The impact of the review will be to clarify and sharpen some of the language. We are awaiting Charity Commission approval for regulated alterations.

The Governors continued to bed in a revised committee structure ensuring good governance continues to be developed.

Benefits to Society

Our Trustees are aware of the guidance on Public Benefit as described by the Charity Commission and take it into account in operating the Charity. The decisions taken by Trustees further the Charity's benefit to the public.

We benefit wider society by heightening awareness of the role religion can play in advocating for good, bringing peace, reconciling across faith communities, and enabling people from faith backgrounds to develop their own understanding. With students from a range of backgrounds, we ensure also that our students, many employed in the third sector, charities and religious settings will impact wider society by enhanced understanding of the world and the way people think. Character formation, ethical principles, best practice for community development and ways of approaching the world that are respectful and thoughtful are also part of the intended outcomes of our work.

Globally our students take roles in leadership at a number of levels, from institutional leadership to engagement in government. At the grassroots they are people committed to seeing communities and individuals thrive.

Our undergraduate and postgraduate students are drawn from across the UK and beyond and range in age from 18- mid 70s.

The College has significant success in ensuring many underrepresented groups achieve access to education. Year on year we are investing in enhancing and supporting students from low participation areas and communities to thrive.

Our provision is for a wide range of people but is also attracting mature students with a direct interest in developing themselves further as professionals in a range of industries.

We enable:

- access to the grounds by the wider community in keeping with the ethos and values of the College
- provision of theological education to the wider community via our Manchester Bible School and Theological Foundation pre-degree programmes
- access of means-tested bursaries and scholarship
- access to listening services
- the provision of subsided access to our theological library facilities for students, members of the local Christian community
- access to refreshments to the wider community at 11am daily

Access and Participation (APP)

In accordance with the Higher Education and Research Act 2017 our Governing body is responsible for overseeing NTC's Access and participation plan. This year Governors:

a) received an update on the plan and its implications for our organisation
b) received reports from the Academic Dean and Registrar relating to the outcomes of our students

c) ensured that funds provided by OfS (including APP) and the Department for Education have been applied in accordance with the relevant terms and conditions
d) ensured that the APP expenditure was in keeping with our commitments to offer direct financial support to current and future students.

The College has identified clear priorities as the focus of our APP plan supporting student access to higher education, and to create an environment where students can flourish and achieve their full potential.

The College's plan focuses on:
- supporting access to higher education
- ethnic minority student success and progression
- students from low-participation neighbourhoods

Connecting with schools and churches in areas of unique need and low participation is a unique part of NTC. We have continued to emphasise this over the year, specifically engaging with communities who do not tend to join HE. The emphasis has been both on younger people and mature students.

We engage with a range of people who have disabilities and the College has invested in provision for these students. The high level of students with disabilities is viewed as positive by the College, as we fulfil our aim of being an accessible and flexible place of learning. We believe that our approach to excellent support, wrap-around care, and small class sizes mean that the College is a safe place for people with additional needs to find their way to success. Our commitment to widening participation is one of the hallmarks of our educational provision.

Use of volunteers

The College is grateful to and indebted to, those members of our denomination and beyond, who, in response to the needs identified, are able to offer themselves as volunteers to assist in non–academic areas of the College life. These include maintenance work, housekeeping assistance, general clerical work, cooking, library support and a range of other roles.

During their period of volunteering, all volunteers operate to the guidance of the College's policies and procedures and are covered under the required Health and Safety regulations.

Grant making policy

The College takes the view that it will do whatever is in its power to assist students, particularly those from the majority world, in meeting the cost of their tuition and living expenses. Accordingly, several scholarships have been established through donations to the College that qualifying students can benefit from. The scholarships are restricted and treated as such in the accounts.

The College gives a range of grant support and scholarships with the clear aim of caring for those who may not access education. This also enables students from non-traditional backgrounds to succeed. We have solicited specific funds for the Global South and for people from black and other ethnic backgrounds to access and develop in education. We see this as a key part of our orientation around caring for those on the margins.

We have agreed our Access and Participation Plan with the Government and are working on a revised plan for 2025 as required by the OfS.

Financial review

The College's tuition fees are reviewed on an annual basis. Our aim in setting fees is always to be commensurate with the sector and achieving a breakeven operating budget.

This year has been particularly difficult with lower than anticipated recruitment which led to a large deficit. The team took decisions for some reduction in pay, freezing professional development, some redeployment of team members, changes to external contracts and engaged in rigorous review of all our spending.

Following careful management, the College's year end results were a surplus of £15,486.

We completed work through the year 23/24 of the grant 'Science for seminaries.' This included funds towards delivery of courses that demonstrate theology and science as a conversation partner. Our Academic Deans, Dr. Peter Rae and Dr. Jacob Lett are overseeing the final provisions of the grant, with the faculty team supporting the delivery of materials alongside local specialists.

The projections for the coming year, which will end 30th June 2025 have been based on the previous year's income and expenditure (year ended 30th June 2024). We have reviewed these internally using a number of points of triangulation: student trends, data relating to the sector, our own history and engagement in key recruitment settings and so, we anticipate:
a) an at target student uptake of HE places at the College at Undergraduate level, still below pre-pandemic levels and in line with 2023-24
b) a stable intake at Masters' level matching 2023-24
c) a stable intake at PhD level
c) robust rental of the facilities
d) accommodation at least 90% of capacity
e) strategic developments and investment in order to move the College forward in funding pathways including ongoing funding commitments from the Church of the Nazarene
f) a significant increase in fees from the University of Manchester for programmes, pathways and per student
g) an increase in mortgage repayments due to continued higher interest rates

The Trustees and the Senior Leaders of the College have kept the finances under constant and regular review.

The restricted funds held by the College for the purposes of Scholarships and Principal's Project have been drawn upon in accordance with policy and the intended purpose of the donations, and these transactions are reflected in the attached financial statements.

Audit Review

The Audit from the year 2023-2024 was reviewed by the Governors and responded to.

Investment Policy

In compliance with the Charity Commissioners' guidance "Charities and investment matters: a guide for trustees" (CC14 last updated on 1 October 2011) the College Governors have implemented an Investment Policy. The key issues addressed are:

a) the need for enough resources for the charity to carry out its present and future activities effectively
b) the level of acceptable risk and how to manage it, and
c) the charity's stance on ethical investment

This policy is reviewed every two years by the finance sub-committee of Governors. Our investment policy was reviewed and approved in 2023-2024

Reserves policy

It is the intention of the College Governors to continue a programme of securing a reserve of funds to provide a protection against any temporary downturn in student numbers. The level of reserves to be set aside for this purpose will be in accordance with the Reserves Policy and Governors will determine the amount to be set aside to reach this target on an annual basis where possible.

Amount of reserves held: the unrestricted and restricted funds held in cash at bank and in hand and other assets amount to £3,050,852 of which £2,556,553 were unrestricted and £494,299 were restricted.

The Charity continues to operate as a going concern. The basis of this is student recruitment, the development of additional funding streams for students and the increase in regular donations. Our on-going validation with a world class university also makes us attractive for students and our impressive graduating class in research degree programmes enhances our reputation year on year. Additionally, the property portfolio has a value well in excess of the Balance Sheet valuation and this, should it be required, could be realised to more than cover any unforeseen liabilities. We are actively working towards developing our funds.

Principal funding sources

The principal source of funding continues to be the income generated through tuition fees for students plus meeting their accommodation needs through Halls of Residence. A further valued source of funding continues to come from both the General Church of the Nazarene through an operations grant and also from churches in the UK who contribute through their annual budgets to the work of the College. Neither of the latter two sources are either restricted or designated funds.

Administrative Review

The addition of the Compliance committee has enabled the operations side of the College to move towards assurances of excellence in practice. Having identified the burden of responsibility on the Director of Operations the College appointed a People Advisor to support the human resource side of administration.

In September 2023 Mr Nate Spinaci became the Communication and Marketing Director. He reviewed all marketing spending, reconfigured the team, and is working through a revision of the Website. He is taking a data driven approach to the College's recruitment.

We also actively participate in government consultations on changes in the higher education authority to keep abreast of any external risk factors.

Core team members have managed and reported within the agreed terms of the Prevent agenda.

Succession planning for the team has been a significant part of the current year, with transition mapping for changing roles at all levels of the organisation. We are undertaking a review of roles and responsibilities and working towards appointments in several key areas in the coming one to five years. To the best of our ability we identify those intending to retire or leave for other purposes and create a map and timeline of how to transition. institutional stability is important and key is a healthy and sustainable professional team.

Plans for future periods

The College plans for the current period relate to ongoing management of the previously agreed strategic plan. This covers primary areas identified in the implementation and review of the earlier strategic review. These are identified as a) Academic excellence and research led learning, b) Christ-like community focussed.
Within these areas the college has a clear focus on:

Student Recruitment:

- we will widen student recruitment including reaching new markets
- ensure that the education experience of current students remains positive
- offer continued improvements to our courses
- develop pipelines in pre-degree marketing

Programmes of Study

- we will consolidate and review our programmes of study including in the Asian Christian Studies and Community Development areas
- we will seek further approvals for online offerings at MA and BA level moving from synchronous to asynchronous in some areas
- we will evaluate, review and revise our pastoral, social and practical theology subject area
- we will make decisions regarding the development and form of our youth work programme, shifting it towards ministry our programmes following a rolling review
- we will continue to develop short online courses as part of an advertising strategy

Partnerships

- we will seek partnerships with compatible entities in order to develop our profile and reach
- ensure accessibility to a wide range of partners
- deliver the Science for Seminaries to fulfilment our grant
- we will work with Asbury Seminary, Kia and Newbigin School of Urban Leadership to develop areas of education that serve the wider needs
- we will revive study abroad initiatives

Geographical Reach

- we will continue to develop our relationships with the Global South for faculty development
- we will continue to strengthen relationships with partners in North America
- we will continue to recruit from beyond the UK to all levels of programme
- we will serve diaspora communities within the UK

National and International Profile

- we will continue to develop our international and national profile in order to develop a pipeline of students
- we will invest in development of our alumni networks

Finances

- In order to be sustainable we need to have managed growth.
- We continue to review how we can enhance pay.
- we need to review our financial modelling and fundraising/partnerships, including considering the establishment of a US based foundation for fundraising , which can build upon the recent one off

'Alabaster' donations which have been received this year

- we will continue to work towards a healthy financial culture including careful projections and budgeting and development of security for medium and long-term planning
- we note that we have very few significant trust donors and we will revisit any opportunities in this area
- we will actively explore other research grants
- We will consider whether we need to set up a trading subsidiary

Campus

- the primary focus in our campus is the establishment of a campus plan to take us to 2035
- planned maintenance and refurbishment of student accommodation
- continued letting as space and restrictions permit
- we have a cap ex plan in place for regular investment to emerge
- the goal of being Carbon Neutral is underway with staged investment in short, medium and long term planning

Governance

- we are in the process of reviewing our Constitution and our Governance practices
- replenishing and recruiting Governors for the coming cycle including a focus on equality and diversity in our recruitment to Governors
- ensure ongoing support for our Governors is offered by the College team
- undertake induction and training for all Governors, new and returning
- review the strategic direction and reporting mechanisms received by Governors to ensure that they are clear and satisfactory
- implementing a plan for a full-strength board of trustees with a matrix of skills and backgrounds in order to provide effective Governance and leadership

Following a review of our projected finances and in light of areas identified as key for future development (recruitment, online/digital and succession) the Governors agreed that we needed to invest in key areas for development:

Key personnel for supporting the development and delivery - we are in the process of putting people in place to support roles, engage in promotion of the College and enhance our delivery

Campus spaces for student satisfaction including a range of quiet study spaces as the library shifts towards a more learning commons approach.

The College continued drawing on our Vision Document 2030. It is a comprehensive and forward-thinking document to enable the College to continue to meet its aims and objectives. In response to the current landscape of theological education it is critical that the College develops, enhancing operations in order to grow to enable a sustainable future. The document will be reviewed and developed by a proposed Strategic innovation and change advisory group, who will report to the Board of Governors. We anticipate that in 24 a new strategic plan will be developed to take the college to 2035.

Academically the College is increasing recruitment into Masters level. It is developing its capacity for flexible and effective learning in a variety of on-line and off-site ways. The College is offering opportunities for intercultural study for students from overseas. We continue to ensure we offer excellence and cutting-edge theological thinking. The College is also working to develop and enhance our core faculty team. We are reviewing key appointments in part of careful succession planning working towards a known plan relating to people who have expressed their intentions to change or retire.

We are also investing in student learning support provision and chaplaincy/counselling services.

This includes:
The appointment of additional learning support officers for masters' level support
The on-going designation of time developing study abroad by one of our Academic Office team (2 hours per week)

The College continues to invest in a research and development project to develop a plan for pre-degree-level learning and additional programmes.

The College is developing its physical plant in relation to the academic developments which are our core business

The **Academic Board** continues to explore:

a) creative and alternative modes of delivery.
b) partnerships with other Wesleyan institutions of Higher Education.
c) course development relating to the needs of academic programming, training for ministry and theological benchmarks in the 21st Century.
d) the implementation of strategic planning across all levels of academic life in the College.
e) Active promotion of the College in all areas and the recruitment of students at both undergraduate and postgraduate levels from the UK and globally.
f) The increased geographical plan of places to be in order to develop our profile
g) The appointment of specialists in HE from other Universities to the Academic Board to speak into the College's developments

The **Administrative Council** continues to explore:

a) seamless integration of all administrative functions.
b) all departments of the College continue to operate and improve in their efficiency.
c) streamlining processes and procedures.
d) financial sustainability.
e) further development of publicity and recruitment in targeted ways.
f) compliance with the Prevent Government agenda.
g) training and enhancement of our staff team
h) the appointment of external specialists to support the development of our administrative functions
i) accountability for high level operational decisions; reviewing cash flow management and recommends budgets for approval to Governors

Structure, governance and management

Governing document

The College is governed under a DECLARATION OF TRUST deed dated 25th June 1970 as amended 2nd February 1990 and again on the 1st February 1991 and the CONSTITUTION as approved by two thirds of the members present and voting at both the North and South District Assemblies of the Church of the Nazarene and as amended from time to time in accordance with the Constitution.

Recruitment and appointment of Governors

The Governors of the College are appointed by election at the Annual District Assemblies of the North and the South Districts of the Church of the Nazarene in the UK. A nomination committee currently proposes

names of members of the denomination to the delegates to vote upon, there being an equal number of Governors appointed from each District. In addition to those appointed in this way, the two elected District Superintendents are appointed by virtue of their office as ex officio members of the Board of Governors, and, under the Constitution, up to four additional Governors can be appointed from outwith the denomination and four members-at-large are appointed by the British Isles National Board of the Church of the Nazarene.

The appointment and code of operation of members of the Board of Governors is set out in full in the Constitution of the College.

The Governors of the College are elected and appointed as set out in the Constitution. Within this document the voting Governors are referred to as the Trustees and are unambiguously and collectively accountable for the institutional activities and take all final decisions on matters of fundamental concern for the College. In order to ensure limited liability, the College has a practice of ensuring business liability cover is included in our insurance. In the past year, and stretching into 2023-24 we are reviewing our Constitution and, when it has been approved by our Governors, we will send any amendments to the Charity Commission for approval.

The College's approach to governance applies the Public Interest Governance principles of the Office for Students. It also follows the good practice for the Higher Education sector identified in "the Higher Education Code of Governance" produced by the Council of University Chairs.

Induction and training of trustees

All Governors are made aware of the ethos and mission of the College and participate in regular training programmes to increase their understanding of the role and also the issues affecting the work of the College. Governors are encouraged to access the Charity Commission website on a regular basis to download any and all relevant material and resources that will enhance their ability to fulfil their duties.

There is an Induction programme for newly elected Governors. The College invests in 'Governance' Magazine for all governors and has a Board Code of Practice for all who serve in this capacity. Each Governor has access to a dedicated and password protected Governance Moodle site (virtual learning platform).

Organisational structure

The organisational structure of the College is constantly developing as it seeks to meet and fulfil its stated goals and aspirations. The principal point of governance in all matters continues to be the Board of Governors to which all senior staff report, the Principal, Vice Principal/s, Director of Operations (including the reports from the People Advisor). The Principal meets regularly with the Financial Controller and the Principal and Director of Operations meet with the Finance Controller to review the monthly management accounts.

The **Core Team** of the College, is the key management group, led by the Principal, for the day-to-day strategic operations of the College. CLT members attend board meetings as support staff during the year for the majority of items discussed as requested by the board. The process to appoint and set pay for CLT members are determined in accordance with the constitution. The Board of Governors have a remuneration committee which reviews pay structures, professional development financing and ensures that the College is considering pay levels as appropriate to the experience, responsibility and market of the sector. There is no automatic entitlement to annual salary increases. The philosophy of the College emphasises paying its least well-paid staff at least the Real Living Wage. The structure is also relatively flat,

with the Core Leadership Team paid well, but within keeping with the Higher Education and the church ministerial pay structures they relate to.

The Board of Governors receives and monitors Risk Reports regularly and the Core team manages risk regularly.

In addition to the Core team and its operations, there are two significant Boards through which all policies and proposals must pass in order to be presented to the Board of Governors for the Trustees vote, these are the Administrative Council and the Academic Board. The Academic Board approves all matters of an academic nature including new programmes, and the Administrative Council receives and approves all matters of a financial and administrative nature, in particular the approval of any proposed change to an existing policy or a new policy.

Below these Boards, a range of operational and reporting Boards meet.

In addition, as with all such institutions, a range of other committees meet on a regular basis to deal with the day-to-day operations of the College and which make recommendations to or seek approval from the other bodies mentioned above. These committees include, but are not limited to Faculty, Placement, Student Council, and Library, etc.

In the coming year the College will review its internal structures to ensure collaboration, culture and efficiency are baked into our systems. We will revisit how we create and store documents to ensure they are 'living' and in use.

We are also undertaking a review of pathways of recruitment, communication and their relationship to our admissions processes to ensure that our recruitment conversation rate is high from first encounter to final admission as a student.

Representation at Board meetings:

The Principal, CLT and student representatives are part of Board of Governor meetings, providing necessary perspectives to support the Board to govern effectively. The Principal, who attends meetings *ex officio*, and any additional paid member of the team invited into meetings, have full rights of attendance and participation at meetings, but in line with the College's constitution as a charity, as employees and beneficiaries of the Charity, they do not have voting rights. Student representatives have no less right of participation and are not in any way disadvantaged.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and purposes.

Risk management

The risk management strategy of the College is reviewed and a risk assessment completed by the Core Leadership Team and reviewed by the Governors annually in their November meetings. There is a continual process of formulation and development in response to the changing circumstances that could impact upon the work of the College and its fulfilment of its ethos and mission.

The Board of Governors, in considering this important task, take direction from the on-going discussions of the College personnel, both internally and through their meetings with external advisers, and seeks to find ways to mitigate the impact of such risks through proactive planning and transferring of identified risks on an on-going basis.

The most serious risks to NTC's existence and development are:

-insufficient student numbers over a sustained period
-changes in Government legislation
-changes in validation arrangements of the policies of our partner organisations
-the denominational affiliation in the light of declining membership and global shifts in emphasis.

In order to ensure these risks do not materialise the College:

- is developing a new business plan seeking to diversity our products and services, diversify our income streams to be less reliant on student-based income and manage our expenditure
- is investing in a new digital specialist and reviewing our marketing and admissions structures to ensure our profile is raised
- ensures that we have good compliance with all Government policy, good relationships with the Office for Students
- maintain validation with the University of Manchester
- monitors and reviews the historic affiliation with the wider Nazarene denomination and is looking at ways to reflect the reality of our reach beyond the denomination by reviewing our constitution and affiliations. In this way we can ensure we are consistent in our approach as a Wesleyan-Theological institution set in the UK context.

Related parties

Any and all related parties are clearly identified in the notes to the Accounts. At each meeting of the Governors there is a conflict of interest form to clearly identify any matters that arise and a register kept.

The elections of trustees from the British Isles South and North District and the *ex officio* appointments of the District Superintendents mean that from time to time there are transactions between those entities and Nazarene Theological College. This is disclosed in note 14

Statement of Board of Governors' responsibilities

The Board of Governors is responsible for preparing the Board of Governors' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law in England & Wales requires the Board of Governors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period. In preparing the accounts the Board of Governors 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;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the Financial Statements comply with the Charities Act 2011 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Voting Members of the Board of Governors, who are trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

Advisors to the Board who served during the year and up to the date of this report are set out on 4

Auditors
Slade and Cooper were appointed in 2023.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS102) and the *Charities Act 2011*.

Approved by the Board of Governors and signed on its behalf by:

..... Mr. Ian Burleigh

30 November 2024

Opinion

We have audited the financial statements of Nazarene Theological College (the 'charity') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 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.
- Where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's accounts direction have been met.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement 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.

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 trustees' responsibilities statement set out on page 20, the trustees are responsible for the preparation of financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Slade & Cooper Limited
Statutory Auditors
Beehive
Jersey Street
Manchester
M4 6JG

Date: 02 December 2024

Slade & Cooper Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Nazarene Theological College

Statement of Financial Activities
for the year ended 30 June 2024

	Note	Unrestricted funds £	Restricted funds £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	3	115,018	195,928	310,946	*365,167*
Charitable activities:	4	1,114,315	-	1,114,315	*1,138,030*
Other trading activities	5	201,912	-	201,912	*213,005*
Investments	6	7,794	6,264	14,058	*5,961*
Total income		**1,439,039**	**202,192**	**1,641,231**	***1,722,163***
Expenditure on:					
Raising funds	7	-	-	-	-
Charitable activities:	9	1,542,668	84,151	1,626,819	*1,683,236*
Total expenditure		**1,542,668**	**84,151**	**1,626,819**	***1,683,236***
Net income / (expenditure) before net gains / (losses) on investments		(103,629)	118,041	14,412	*38,927*
Realised/unrealised gains/(losses) on investments		1,074	-	1,074	*359*
Net income / (expenditure) for the year	11	**(102,555)**	**118,041**	**15,486**	***39,286***
Transfer between funds		-	-	-	-
Net movement in funds for the year		**(102,555)**	**118,041**	**15,486**	***39,286***
Reconciliation of funds					
Total funds brought forward		2,659,108	376,258	3,035,366	*2,996,080*
Total funds carried forward		**2,556,553**	**494,299**	**3,050,852**	***3,035,366***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Nazarene Theological College

Balance Sheet
as at 30 June 2024

	Note	2024 £	2024 £	*2023 £*	*2023 £*
Fixed assets					
Tangible assets	17		1,983,011		*1,918,333*
Investments	18		162,476		*161,402*
Total fixed assets			**2,145,487**		***2,079,735***
Current assets					
Debtors	20	207,932		*191,459*	
Cash at bank and in hand	21	986,415		*1,130,022*	
Total current assets		**1,194,347**		***1,321,481***	
Liabilities					
Creditors: amounts falling due in less than one year	22	(158,751)		*(217,868)*	
Net current assets			**1,035,596**		***1,103,613***
Total assets less current liabilities			3,181,083		*3,183,348*
Creditors: amounts falling due after more than one year	24		(130,231)		*(147,982)*
Net assets			**3,050,852**		***3,035,366***
Funds of the charity:					
Restricted income funds	25		494,300		*376,258*
Unrestricted income funds	26		2,556,552		*2,659,108*
Total charity funds			**3,050,852**		***3,035,366***

The notes on pages 27 to 49 form part of these accounts.

Approved by the trustees on 30/ 11/ 2024 and signed on their behalf by:

Mr. Ian Burleigh (Chair)

Dr D Brower Latz (Principal)

Nazarene Theological College

Statement of Cash Flows
for the year ending 30 June 2024

	Note	2024 £	*2023* *£*
Cash provided by/(used in) operating activities	30	**(33,399)**	***18,844***
Cash flows from investing activities:			
Dividends, interest, and rents from investments		14,058	*5,961*
Purchase of tangible fixed assets		(108,780)	*(23,196)*
Cash provided by/(used in) investing activities		**(94,722)**	***(17,235)***
Cash flows from financing activities:			
Repayment of borrowing		(15,486)	*(15,801)*
Cash provided by/(used in) financing activities		**(15,486)**	***(15,801)***
Increase/(decrease) in cash and cash equivalents in the year		(143,607)	*(14,192)*
Cash and cash equivalents at the beginning of the year		1,130,022	*1,144,214*
Cash and cash equivalents at the end of the year		**986,415**	***1,130,022***

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Nazarene Theological College meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

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 is classified under the following activity headings:

- Costs of raising funds comprise the costs of raising donations and their associated support costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated entirely to charitable activities, which reflect the use of resources.

i Bursaries payable

Bursaries payable are recognised in the year when an award has been approved by the trustees through the budget setting process and communicated to the recipient during the year by the finance team. Where such bursaries have not yet been paid at the end of the year, they are included within current liabilities.

j Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

k Tangible fixed assets

Individual fixed assets costing £2000 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Land and buildings	-	1% straight line
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	33% reducing balance

l Fixed asset investments

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

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

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

m Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q Pensions

The charity contributes to defined contribution pension schemes on behalf of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees and it has no other liabilities to these schemes.

2 Legal status of the charity

The charity is an unincorporated charity, registered as a charity in England & Wales.

3 Income from donations and legacies

Current reporting period	Unrestricted £	Restricted £	Total 2024 £
Donations	115,018	195,928	310,946
Total	115,018	195,928	310,946

Previous reporting period	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Donations	*126,948*	*238,219*	*365,167*
Total	*126,948*	*238,219*	*365,167*

4 Income from charitable activities

Current reporting period	Unrestricted £	Restricted £	Total 2024 £
Grant and fee income			
Grant income from OFS	17,822	-	17,822
Fee income from taught awards	520,579	-	520,579
Fee income from research awards	454,539	-	454,539
Fee income from non-qualifying courses	27,375	-	27,375
Bookshop sales	11	-	11
Education services grants (KC)	54,102	-	54,102
District budgets	39,887	-	39,887
Total	1,114,315	-	1,114,315

Previous reporting period	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Grant and fee income			
Grant income from OFS	*18,388*	*-*	*18,388*
Fee income from taught awards	*507,190*	*-*	*507,190*
Fee income from research awards	*479,550*	*-*	*479,550*
Fee income from non-qualifying courses	*22,595*	*-*	*22,595*
Bookshop sales	*114*	*-*	*114*
Education services grants (KC)	*42,515*	*-*	*42,515*
District budgets	*67,678*	*-*	*67,678*
Total	*1,138,030*	*-*	*1,138,030*

5 Income from other trading activities

	2024	*2023*
	£	*£*
Lettings and commissions	201,912	*213,005*
Employer' allowance and JRS income	-	-
Sundry income	-	-
	201,912	*213,005*

All income from other trading activities is unrestricted.

6 Investment income

Current reporting period	Unrestricted	Restricted	Total 2024
	£	£	£
Income from bank deposits	5,000	6,264	11,264
Income from investment properties	2,640	-	2,640
Other investment income	154	-	154
	7,794	6,264	14,058

Previous reporting period	*Unrestricted*	*Restricted*	*Total 2023*
	£	*£*	*£*
Income from bank deposits	*1,517*	*1,673*	*3,190*
Income from investment properties	*2,640*	-	*2,640*
Other investment income	*131*	-	*131*
	4,288	*1,673*	*5,961*

7 Cost of raising funds

	2024	*2023*
	£	*£*
Cost of raising donations and legacies - Donations	-	-
	-	-

All expenditure on cost of raising funds is unrestricted.

8 Analysis of expenditure on charitable activities by fund type

Current reporting period	Unrestricted funds £	Restricted funds £	Total 2024 £
Facilities	279,572	29,469	309,041
Education	743,502	54,682	798,184
Support costs (see note 9)	519,594	-	519,594
	1,542,668	84,151	1,626,819

Previous reporting period	*Unrestricted funds £*	*Restricted funds £*	*Total 2023 £*
Facilities	*197,195*	*209,697*	*406,892*
Education	*589,123*	*72,722*	*661,845*
Support costs (see note 9)	*614,499*	*-*	*614,499*
	1,400,817	*282,419*	*1,683,236*

In accordance with the Access and Participation Plan, this year the College has spent £28,896 (2023: £18,400) on Access Investment, £2,940 (2023: £5,489) on Financial Support bursaries for students from underrepresented groups, £88,300 (2023: £66,450) on University Fee waivers and £7,956 (2023: £2,265) on hardship funds. In addition, £2,000 (2023: £2,000) has been spent on Research and Evaluation Investment for new courses.

9 Analysis of expenditure on charitable activities by activity type

Current reporting period	Activities undertaken directly £	Support costs £	Total 2024 £
Facilities	309,041	477,048	786,089
Education	798,184	29,776	827,960
Governance costs	-	12,770	12,770
	1,107,225	519,594	1,626,819

Previous reporting period	*Activities undertaken directly £*	*Support costs £*	*Total 2023 £*
Facilities	*406,892*	*564,491*	*971,383*
Education	*661,845*	*25,954*	*687,799*
Governance cost	*-*	*24,054*	*25,954*
	1,068,737	*614,499*	*1,685,136*

10 Analysis of support costs

Current reporting period	Basis of apportionment	Facilities £	Education £	*Total 2024 £*
Staff costs		269,526	-	269,526
General office		73,566	-	73,566
Finance costs		9,625	-	9,625
Governance costs		12,770	-	12,770
Travel and accommodation		15,782	-	15,782
Publicity		35,602	-	35,602
Events		15,801	-	15,801
Depreciation		47,177	-	47,177
Professional costs and sundries		9,969	29,776	39,745
		489,818	29,776	519,594

Previous reporting period	*Basis of apportionment*	*Facilities £*	*Education £*	*Total 2023 £*
Staff costs		*366,465*	*-*	*366,465*
General office		*75,716*	*-*	*75,716*
Finance costs		*15,814*	*-*	*15,814*
Governance costs		*24,054*	*-*	*24,054*
Travel and accommodation		*18,659*	*-*	*18,659*
Publicity		*36,652*	*-*	*36,652*
Events		*14,083*	*-*	*14,083*
Depreciation		*30,669*	*-*	*30,669*
Professional costs and sundries		*6,433*	*25,954*	*32,387*
		588,545	*25,954*	*614,499*

11 Net income / (expenditure) for the year

This is stated after charging/(crediting):	2024	*2023*
	£	*£*
Depreciation	44,102	*30,669*
Operating lease rentals:		
Equipment	5,614	*4,645*
Auditor's remuneration - audit fees	6,000	*6,360*
Auditor's remuneration - accountancy fees	2,160	*2,160*

Also included within expenditure are bursaries and scholarships of £106,464 (2023: £104,782) of which £54,682 (2023: £76,140) was paid from restricted funds.

12 Staff costs

Staff costs during the year were as follows:

	2024 £	*2023* *£*
Wages and salaries	794,310	*722,555*
Social security costs	60,763	*53,286*
Pension costs	21,662	*19,027*
	876,735	*794,868*

No employee has employee benefits in excess of £60,000 (2023: Nil).

The average number of staff employed during the period was xyz (2023: 49.59).
The average full time equivalent number of staff employed during the period was 27.4 (2023: 26.1) and is analysed as follows:

	2024 No.	*2023* *No.*
Academic	9.6	*9.2*
Student support	4.4	*4.3*
Administration	6.6	*6.6*
Chaplaincy	0.7	*0.8*
Housekeeping	1.0	*1.0*
Library	0.8	*0.8*
Manchester Wesley Research Centre	1.1	*1.2*
Maintenance	1.5	*1.3*
Publicity and recruitment	1.5	*0.7*
Archivist	0.2	*0.2*
	27.4	*26.1*

Key management Personnel

	2024 £	*2023* *£*
Gross Salary	43,036	*42,434*
Employer Pensions Contribution	1,291	*1,273*
Employer National Insurance Contribution	4,684	*4,743*
	49,011	*48,450*

This remuneration package is in line with others in the School of Theology sector and is in line with value and performance delivered. The performance is reviewed annually by the Board of Governors and the Remuneration is set by the Board of Governors, having due consideration to performance and sector wide factors.

i) The head of the providers' basic salary is 1.3 (2023: 1.3) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff

ii) The head of the providers' total remuneration is 1.1 (2023: 1.2) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

13 Pensions and other post retirement benefits

The amount recognised in expenditure as an expense in relation to defined contribution plans was £21,662 (2023: £19,027)

Pension costs are attributed to the activities in which those employees for whom they relate are engaged.

14 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or during the year (2023: £nil).

One member of the management committee received travel and subsistence expenses during the year of £393 (2023:£380).

Unrestricted donations of £6,756 (2023: £2,080) were received from trustees during the year.

Income of £15,500 (2023: £21,000) was received from the Church of the Nazarene British Isles Southern District, of which Reverend C McCann is also a trustee.

Income of £24,387 (2023: £46,678) was received from the Church of the Nazarene British Isles Northern District, of which Revd R Turner is also a trustee.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2023: £nil).

15 Government grants

The government grants recognised in the accounts were as follows:

	2024 £	*2023* *£*
OFS	17,822	*18,388*
	17,822	*18,388*

16 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

17 Fixed assets: tangible assets

	Land and buildings	Fixtures and fittings	Equipment	Total
Cost	£	£	£	£
At 1 July 2023	2,294,885	213,751	30,973	2,539,609
Additions	32,340	60,440	16,000	108,780
Disposals	-	-	-	-
At 30 June 2024	2,327,225	274,191	46,973	2,648,389
Depreciation				
At 1 July 2023	417,676	174,058	29,542	621,276
Charge for the year	23,272	15,020	5,810	44,102
Disposals	-	-	-	-
At 30 June 2024	440,948	189,078	35,352	665,378
Net book value				
At 30 June 2024	1,886,277	85,113	11,621	1,983,011
At 30 June 2023	*1,877,209*	*39,693*	*1,431*	*1,918,333*

18 Investments

	2024 £	*2023* *£*
Market value at the start of the year	161,402	*161,043*
Add: additions to investments at cost	-	-
Disposals at carrying value	-	-
Add net gain/(loss) on revaluation	1,074	*359*
	162,476	*161,402*
Cash held by investment broker pending reinvestment	-	-
Market value at the end of the year	162,476	*161,402*
Investments at fair value comprised:		
Listed investments	4,142	*3,069*
Investment properties	158,333	*158,333*
	162,475	*161,402*

Investments are all held at valuation.

Investment properties

The investment property was revalued on 24 June 2022 by Richard N D Smith BSc (Hons), MRICS on behalf of Fifield Glyn Chartered Surveyors.

Financial assets held at fair value

Investments in listed shares are stated at their market value at the balance sheet date.

19 Net gains on investments

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted funds £	Total Funds 2023 £
Gains/(losses) on investment property	-	-	-	-
Gains/(losses) on listed investments	1,073	1,073	359	359
Gains/(losses) on other investment assets				
	1,073	1,073	359	359

20 Debtors

	2024 £	*2023 £*
Trade debtors	148,424	*156,138*
Prepayments and accrued income	59,508	*35,321*
	207,932	*191,459*

21 Cash at bank and in hand

	2024 £	*2023 £*
Cash at bank and on hand	986,415	*1,130,022*
	986,415	*1,130,022*

22 Creditors: amounts falling due within one year

	2024	*2023*
	£	*£*
Bank loans and overdraft	16,696	*14,431*
Trade creditors	81,865	*110,753*
Other creditors and accruals	39,284	*65,874*
Deferred income	500	*23,097*
Taxation and social security costs	20,406	*3,713*
	158,751	*217,868*

23 Deferred income

	2024	*2023*
	£	*£*
Will beneficiary	-	*-*
Projects	500	*15,707*
Accommodation income	-	*7,390*
Deferred grant carried forward	500	*23,097*

£500 (2023: £23,097) relates to income for an award designated for 2024-2025 finacial year.

24 Creditors: amounts falling after more than one year

	2024 £	*2023 £*
Bank loans and overdrafts	130,231	*147,982*
	130,231	*147,982*

The Bank loans of £146,927 (2023: £162,413) are secured by a first legal charge over the charity's property at Dene House, Didsbury, which is included in the accounts at net book value of £1,887,050.

Included within creditors: amounts falling due after more than one year is an amount of £60,283 (2023: £74,587) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Mortgage payments falling due after more than five years are due to be paid in instalments. The loans are repaid on variable interest basis, and as such instalments will vary from current rate of £2,106 per month, including interest at the rate applicable at the time.

25 Analysis of movements in restricted funds

Current reporting period	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2024 £
Student Scholarship Fund	234,585	79,567	(54,682)	-	259,470
Development Fund	128,346	122,626	(29,469)	-	221,503
Scottish School of Christian Mission	13,327	-	-	-	13,327
Science for seminaries	-	-	-	-	-
Total	376,258	202,193	(84,151)	-	494,300

Notes to the accounts for the year ended 30 June 2024 (continued)

Previous reporting period	*Balance at 1 July 2022 £*	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 30 June 2023 £*
Student Scholarship Fund	*223,679*	*83,628*	*(72,722)*	*-*	*234,585*
Development Fund	*141,477*	*133,464*	*(146,595)*		*128,346*
Scottish School of Christian Mission	*23,327*	*-*	*(10,000)*		*13,327*
Science for seminaries	*30,302*	*22,800*	*(53,102)*	*-*	*-*
Total	*418,785*	*239,892*	*(282,419)*	*-*	*376,258*

The Student Scholarship Fund is made up of individual donations with specific instructions how the money should be used, according to the wishes of individual donors.

The Development Fund represents donations made to the annual Principal's Project and expenditure relating thereto.

The Scottish School of Christian Mission Fund represents monies received from that institution when its work was incorporated into that of the Nazarene Theological College, to be used for student bursaries only.

Science for Seminaries fund relates to specific income received to be spent on the Science for Seminaries research and teaching project.

26 Analysis of movement in unrestricted funds

Current reporting period	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	As at 30 June 2024 £
General fund	2,659,108	1,439,039	(1,542,668)	-	1,073	2,556,552
	2,659,108	1,439,039	(1,542,668)	-	1,073	2,556,552

Previous reporting period	Balance at 1 July 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	As at 30 June 2023 £
General fund	2,577,295	1,482,271	(1,400,817)	-	359	2,659,108
	2,577,295	1,482,271	(1,400,817)	-	359	2,659,108

Name of	Description, nature and purposes of the fund
General fund	Unrestricted funds

27 Analysis of net assets between funds

Current Reporting Period	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	1,983,011	-	-	1,983,011
Fixed asset investments	162,476			162,476
Net current assets/(liabilities)	541,296	-	494,300	1,035,596
Creditors of more than one year	(130,231)	-	-	(130,231)
Total	2,556,552	-	494,300	3,050,852

Previous Reporting Period	*General fund £*	*Designated funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*1,918,333*	*-*	*-*	*1,918,333*
Fixed asset investments	*161,402*	*-*	*-*	*161,402*
Current assets	*727,355*	*-*	*376,258*	*1,103,613*
Creditors of more than one year	*(147,982)*	*-*	*-*	*(147,982)*
Total	*2,659,108*	*-*	*376,258*	*3,035,366*

28 Analysis of changes in net debt

	At 1 Jul 2023 £	Cash flows £	At 30 Jun 2024 £
Cash at bank and in hand	1,130,021	-	1,130,021
Debt due within one year	(14,431)	-	(14,431)
Debt due after one year	(147,982)	-	(147,982)
	967,608	-	967,608

29 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment	
	2024	*2023*
	£	*£*
Less than one year	4,408	*5,348*
One to five years	-	*4,408*
	4,408	*9,756*

30 Reconciliation of net movement in funds to net cash flow from operating activities

	2024	*2023*
	£	*£*
Net income/(expenditure) for the year	15,486	*39,286*
Adjustments for:		
Depreciation charge	44,102	*30,669*
(Gains)/losses on investments	(1,074)	*(359)*
Dividends, interest and rents from investments	(14,058)	*(5,961)*
Repayment of borrowing	15,486	*15,801*
Decrease/(increase) in debtors	(16,473)	*14,963*
Increase/(decrease) in creditors	(76,868)	*(75,555)*
Net cash provided by/(used in) operating	(33,399)	*18,844*

31 Prior year Statement of Financial Activities (including Income and Expenditure account)

	Unrestricted funds £	*Restricted funds £*	*Total funds 2023 £*	*Total funds 2022 £*
Income from:				
Donations and legacies	*126,948*	*238,219*	*365,167*	*278,137*
Charitable activities:	*1,138,030*	*-*	*1,138,030*	*1,013,358*
Other trading activities	*213,005*	*-*	*213,005*	*205,527*
Investments	*4,288*	*1,673*	*5,961*	*2,834*
Total income	***1,482,271***	***239,892***	***1,722,163***	***1,499,856***
Expenditure on:				
Raising funds	*-*	*-*	*-*	*2,686*
Charitable activities:	*1,400,817*	*282,419*	*1,683,236*	*1,441,751*
Total expenditure	***1,400,817***	***282,419***	***1,683,236***	***1,444,437***
Net income/(expenditure) before net gains/(losses) on investments	*81,454*	*(42,527)*	*38,927*	*55,419*
Realised/unrealised gains/(losses) on investments	*359*	*-*	*359*	*49,713*
Net income/(expenditure) for the year	***81,813***	***(42,527)***	***39,286***	***105,132***
Transfer between funds	*-*	*-*	*-*	*-*
Net movement in funds for the year	***81,813***	***(42,527)***	***39,286***	***105,132***
Reconciliation of funds				
Total funds brought forward	*2,577,295*	*418,785*	*2,996,080*	*2,890,948*
Total funds carried forward	***2,659,108***	***376,258***	***3,035,366***	***2,996,080***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

NAZARENE THEOLOGICAL COLLEGE

England & Wales - Charity number 526675

Accounts

Charity Number: 526675

NAZARENE THEOLOGICAL COLLEGE

Financial Statements and Governors' Report
for the year ended 30th June 2023

Nazarene Theological College
Report of the Board of Governors
For the year ended 30th June 2023

The Board of Governors presents its report and audited financial statements from 1st July 2022 to 30th June 2023.

Reference and Administrative Details

Names of the charity trustees who manage the charity and were in place in 2022-2023.

Name	Position on Governors	Voting member y/n	Term	Body of Appointment
Mr. Ian Burleigh	Chair Member at large	Yes	Jan 26th 2019-Jan 2022 Jan 22-Mar 2025	National Board Appointee: section 3
Mr. Philip Howard	Vice Chair Member at large	Yes	Nov 21-Nov 2024	National Board Appointee: Section 3
Mr Steven Leach	Secretary Member at large	Yes	Jan 26th 2019- Jan 2022 Jan 22-Mar 2025	National Board Appointee: Section 3
Rev. Carl McCann	Executive member Ex officio	Yes	April 17th 2021 4 year term	British Isles South District
Rev. Ruth Turner	Executive member Ex officio	Yes	May 15th 2021 2 year term	British Isles North District
Mr. Finlay MacKinnon	District lay representative	Yes	Mar 14th 2022-Mar 2025	British Isles North District
Mr. Iain McGookin	District lay representative	Yes	April 17th 2021-Mar 2024	British Isles North District
Rev. Lorraine Bell	District elder representative	Yes	April 17th 2021-Mar 2024	British Isles North District
Rev. Osahon Jeremie Ogbeiwi	District elder representative	Yes	April 17th 2021-2024	British Isles South District
Mrs Katy Dawson	District lay representative	Yes	Appointed October 4th 2021-Mar 2023	British Isles South District
Mrs Helen Roberts	District lay representative	Yes	Appointed 10 March 2023 – March 2027	British Isles South District
Rev. Arthur Snijders	Member at large	Yes	Appointed Jan 21-Jan 24	National Board Appointee: Section 3

Yellow ex Officio
Peach British Isles South District
Mauve British Isles North District
Co-opted National Board Appointee: Section 3
Co-opted Member at Large: Section 5

Nazarene Theological College
Report of the Board of Governors
For the year ended 30th June 2023

Names of the Board of Governors co-opted as advisors for expertise, representation and the development of the Charity who were in place in 2022-2023. All non-voting participants in meetings of the Board.

Mr. Gareth Lawson	**Board co-option**	**No**	**April 17th 2021-Nov 2024**	**Board of Governors Section 5**
Mrs. Rosemary Arnold Knights	**Board co-option**	**No**	**Nov 28th 2020-May 2023 Second term May 2023- Nov 202 6**	**Board of Governors Section 5**
Mrs. Shirley Berry	**Board co-option**	**No**	**Jan 2023- Jan 2026**	**Board of Governors Section 5**
Rev. Stéphane Tibi	**Regional Education Coordinator**	**No Resigne d 2023**	**Ex officio**	**Eurasia Region**
Rev. Dr. Klaus Arnold	**Commissioner International Board of Education**	**No**	**2020-**	**General Church**
Rev. Jim Ritchie	**Eurasia Regional Director**	**No**	**2020-**	**Eurasia Region**
Rev. Dr. Deirdre Brower Latz	**Principal**	**No**	**2012-**	**Board of Governors**
Ms Esther Newton	**Student Body President**	**No**	**May 22**	**Student Body: Section 4**

Names of the charity trustees who completed their term of office in 2022-2023.

Mr. Joel Banks served until May 1st 2023.
Mr Stéphane Tibi served until November 30th 2022.
Mrs. Laura Nike served until August 25th 2022.

Charity name — Nazarene Theological College

Charity Registration Number — 526675

Principal Office — Dene Road
Didsbury
Manchester
M20 2GU

Board of Governors

The Chairman and Vice Chairman are elected by the Governors.

The following trustees are designated to hold title to land and buildings belonging to the charity and are designated to be signatories to mortgages held on behalf of the charity:

Mr. Ian Burleigh (Vice Chair May 2017-2020, Chair 2020-present)
Mr. Steve Leach (Secretary appointed May 2017-present)

Rev. Ruth Turner (Ex Officio and member of the executive, 2020-present)
Rev. Carl McCann (Ex Officio and member of the executive, 2019-present)

The College does not have any funds held as custodian trustees on behalf of others.

Principal staff

Principal	Revd Dr Deirdre Brower Latz
Vice Principal & Academic Dean	Dr Peter Rae (from July 1st 2019)
Associate Dean and Research Chair	Rev. Dr. Jacob Lett (from July 2022)
Director of Research	Dr. Geordan Hammond (from July 1st 2022)
Director of Operations	Ms. Pauline McKendrick (from September 2018)
People Advisor	Mrs Debi Green (from February 2023)
Finance Manager	Mrs. Simona Stanfield
Finance Consultant	Mr. Andrew Hollingworth (August 2021-present)

Registered Office

Nazarene Theological College
Dene Road
Didsbury
Manchester
M20 2GU

Website: www.nazarene.ac.uk

Auditors

Slade & Cooper Ltd (appointed April 2023)
Beehive Mill
Jersey St
Ancoats
Manchester
M4 6JG

Bankers

Barclays Bank PLC
1st Floor
3 Hardman Street
Spinningfield
Manchester
M3 3HF

Reliance Bank Limited
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Solicitors

Anthony Collins Solicitors
134 Edmund St,
Birmingham B3 2ES

Our Objectives and Activities

Purposes and aims

Our charity's purposes are set out in the objects of the charity which are to foster, promote and maintain theological higher education in harmony with the Manual of the Church of the Nazarene, as interpreted by the General Assembly of the Church of the Nazarene in session from time to time.

The aims of our charity will include, but not be limited to,

a) Operating as an institution within the Higher Education sector in the United Kingdom but as an integral part of the Church of the Nazarene, the College shall serve the UK and global Nazarene community as well as the wider Christian community.
b) Providing the church's philosophical and theological framework which at all times is rooted in the biblical and doctrinal commitments to the Wesleyan tradition and accountable to the stated mission of the denomination.
c) Guiding all those who participate in its life by accepting, nurturing and expressing in service to the church and the world a consistent and coherent Christian understanding of social and individual behaviour.
d) Providing a curriculum quality of instruction and evidence of scholarly achievement that will prepare graduates at both undergraduate and postgraduate levels to function effectively in the various vocations of Christian discipleship and ministry.

Activities

The Officers of the College work on the annual monitoring and evaluation of the current strategy. Full reports are given to the Governors on the progress being made towards the fulfilment of the agreed vision and direction of the institution.

The activities of the College continued within the vision, strategy and direction reflecting the context of the UK in relation to the on-going societal changes experienced because of Covid, inflation and interest rate changes in the Bank of England. The wider economic context impacts the College in a variety of ways, from student recruitment to managing costs.

In this year:

The Governors of the College consider that the College's aims, objectives and activities as described herein demonstrate proof of public benefit in the advancement of religion and in the advancement of education. Within its core operations the College offers a non-discriminatory policy assuring the mission, vision, values and ethos of the College are upheld. The Governors spent time considering the Vision, Ethos and culture that undergirds all strategy.

In addition, through the work of the ancillary services additional public benefit is served. These include, but are not limited to,

a) Providing access to the College's library facilities to external memberships
b) Providing access to the resources and library of *the Manchester Wesley Research Centre* which is housed within the College's facilities
c) Providing access to the resources and library of the *Manchester Centre for the Study of Christianity and Islam* which is housed within the College's facilities
d) Providing access to the resources and library of the Manchester based arm of the *Movement for Justice and Reconciliation.*
e) Providing access to the College's facilities for use by local organisations, other educational bodies, churches, public open days and through participation in local and national community events.

f) Assisting students as and when practicable and necessary through a policy of bursaries or hardship grant aid in order to meet their tuition and living costs.

Achievements and performance: The focus of our work

The key areas of focus of the College personnel and Governors continue to include the following, which reflects past, present and future actions:

a) Agreement and implementation of the Strategic objectives of the College centred upon key areas:
   - Identification of the Foundation on which the College is built
   - Institutional Identity
   - Academic Development that is research led and practice driven
   - Christ-like community formation

b) Areas of focus were reviewing and enhancing:
   - Partnership and Collaborative Development
   - Administrative Development
   - Finance and Fundraising
   - Faculty Development
   - Publicity and Recruitment

b) Continuing Course Delivery of our undergraduate programme.
c) Prepare a plan for hybrid delivery including online markets
d) On-going registration of the College with the UK Borders Agency as a Tier 4 sponsor for students has been maintained and our sponsorship is carefully monitored. This was reviewed in the year and continued.
e) A decision to stop participation in the Teaching Excellence Framework for this year. This will be reviewed for 23-24.
f) The college received an overall satisfaction in the National Student Survey for 2022-23 of 92% (against the sector average of 71%). We are reviewing the responses to those questions we received lower than 100% and are responding to them as we are able. They focus on three areas: mental health support; access to e-materials and digital learning and student expression.
g) Key personnel appointed in both student support and administrative areas ensure the smooth running of academic administration and high level of professionalism.
h) Fully transitioned Post-graduate degree support to Dr. Lett
i) Fully transitioned the Director of Research to Dr. Hammond.
j) The appointment of Mrs. Kate Bowen-Evans to engage in Research and Development for online learning, development and community.
k) Access to learning through increased investment in digital learning materials.
l) Continued investment in onsite campus-based IT in order to ensure our communication and digital services continue to be excellent.
m) Major investment in servers to support the development of online learning and the ongoing robustness of the systems.
n) Fundraising programmes to secure funding for the future, including developing Legacy giving, Library support and funds for Campus development continued to be a focus
o) The launch of 'Friends of NTC' with the Vice-Principal, Dr. Peter Rae and Mr. Steven Clarkson overseeing this area.
p) We transitioned the Associate Dean to be the Dean of Faculty ensuring a focus on the development of future programmes
q) We continued to review the policy to permit some flexibility around working practices enabling a unified rhythm of life for the College community.
r) Accessing Government provision as enabled, particularly focussing on the Access and Participation Plan.

s) Promoting the College in all areas and recruiting students at both undergraduate and postgraduate levels.
t) Offering non-validated online courses in order to serve constituents and develop our profile.
u) Attract and support students from non-traditional backgrounds focussing on progression.
v) Invested in research for developing online community in order to ensure we can meet our objectives in this area.
w) considered development of the programmes in youth and community and reviewed the research commissioned on intergenerational programmes.
x) Run our first MA in Community Development and Theology.

Academic Achievements and Performance

The College is a partner college of the University of Manchester and its awards, from the Diploma to the PhD, are validated through The University of Manchester. The validation of NTC through the University of Manchester continues as a positive relationship of mutual respect and is valued and nurtured by the College and esteemed highly by its students. The relationship gives strength to the ongoing strategic goal of the College to offer academic excellence across its programmes.

The College's Degree in Youth Work and Community is validated by the National Youth Agency as meeting the Joint Negotiating Committee professional standards for youth workers. Following significant review and approaching the time for revalidation the College agreed to revise the programme significantly and the revised programme (from 2022 September entry) will no longer carry NYA validation, but only University of Manchester validation. The new Undergraduate pathway in Biblical Studies, and a new Postgraduate pathway in Community Development had their first cohort and both were evaluated and demonstrably effective.

The College runs taught academic programmes at both undergraduate and postgraduate levels; it also supervises Research Degree programmes. Courses commence with a flexible one-year certificate course and continue through to the PhD programme. The range of courses now offered is as follows:

Undergraduate

Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry.
Bachelor of Arts Degree in Theology, Youth Work and Community.
Certificate, Diploma, Bachelor of Arts Degree and Honours of Arts Bachelor Degree in Practical Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology (Biblical Studies)

Note: the course specifications for the Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry/Theology, Youth Work and Community were rewritten and approved.

Postgraduate

Post Graduate Certificate, Diploma and Master of Arts Degree in Theology:
Post Graduate Certificate, Diploma and Master of Arts degree in Theology with streams in a range of areas all approved by the University.

Research degrees at both MPhil and the PhD level (including the Practice-based PhD) are individually pursued by students and supervised by the College, the current level of students on research programmes is 37, with several students satisfactorily completing their degrees in the past year.

The College subscribes to the Quality Assurance Agency (QAA), the OfS designated body for quality, to provide assurance that the College is meeting UK expectations for the academic standards of awards offered, and the quality, information and enhancement of learning opportunities provided.

The College has an Access and Participation Plan approved by the Office for Students which is regulated in relation to student admissions, progression and attainment. There are still underlying challenges relating to the deficit background for students from non-traditional backgrounds.

We work within the Home Office Prevent Duty framework to recognise and reduce risks of radicalisation.

International Activity

A number of our faculty continued to be speakers and engaged in professional conferences throughout this year. The cohorts for international students were services through online engagement and the development of a pre-degree programme to ensure early support for student success. Partnerships with Asbury Seminary continued and were maintained for engagement in teaching and learning opportunities. The College hosted several key partner groups over the summer of 2022 and in the early summer of 2023.

Non-Academic/Student Support Achievements and Performance

The College offered online Mental Health First Aid courses, and these were very positive. Investment in key bursaries to support developments, hardship and enable students to access learning continued. We have also continued to work towards training and development in antiracist practice.

The roof of the College continued to undergo repair with the completion of this project (weather dependent) in 2023.

The delayed project of the walkway began and was completed in July 2023 enabling one-level access to the Cafe area of the College.

We undertook a disability audit and are working on a strategic plan to continue to develop our accessibility.

The College successfully completed a number of data capture pieces of work, including: Office for Students (OfS), Higher education in Alternative Providers Early Statistic Survey (HEAPES), Destination of Leavers from Higher Education (DLHE), National Student Survey, PREVENT, UK Border agency sponsorship regulation, and the USA Veterans Affairs audit. The College has continued to manage its regulatory framework well.

As a result of the increasing regulation and compliance we established a Compliance committee, and the second year of its operation has been successfully completed. Matters emerging from it are considered by the relevant areas of the College, thus centralising our approach, and ensuring internal audits of our policies, procedures and actions are undertaken in a systematised way. The increasing burden of regulation, changing regulations in a range of bodies, and the cross-over between finance, operations and academic reporting means continued enhancement of our structures and internal accountability.

The College completed various transitions in the finance office to ensure compliance and efficiency. Simona Stanfield returned from maternity leave in September 2022. Mrs. Dana Gheorghe, continued to work in the finance office and completed several qualifications. Mr. Andrew Hollingworth, is the Finance Controller supporting the development of the finance team.

The Governors reviewed their own practice, including the Board Code of Practice Manual and the Constitution. A solicitor specialising in Charity Governance reviewed the Constitution and suggested some clarifications and changes. The Constitution is in the process of being amended in accordance with its provisions for Amendments. The impact of the review will be to clarify and sharpen some of the language.

The Governors have also worked towards a revised committee structure and further development of the processes will be worked on in 2023-24 ensuring good governance continues to be developed.

The Principal was on sabbatical from mid-March to late May 2023, and in her absence Dr. Peter Rae, Vice Principal, became the accountable officer for the College. All matters of significance were managed, and anything material for risk was communicated with the Board of Governors as appropriate.

Benefits to Society

Our Trustees are aware of the guidance on Public Benefit as described by the Charity Commission and take it into account in operating the Charity. The decisions taken by Trustees further the Charity's benefit to the public.

We benefit wider society by heightening awareness of the role religion can play in advocating for good, bringing peace, reconciling across faith communities, and enabling people from faith backgrounds to develop their own understanding. With students from a range of backgrounds, we ensure also that our students, many employed in the third sector, charities and religious settings will impact wider society by enhanced understanding of the world and the way people think. Character formation, ethical principles, best practice for community development and ways of approaching the world that are respectful and thoughtful are also part of the intended outcomes of our work.

Globally our students take roles in leadership at a number of levels, from institutional leadership to engagement in government. At the grassroots they are people committed to seeing communities and individuals thrive.

Our undergraduate and postgraduate students are drawn from across the UK and beyond and range in age from 18- mid 70s.

The College has significant success in ensuring many underrepresented groups achieve access to education. Year on year we are investing in enhancing and supporting students from low participation areas and communities to thrive.

Our provision is for a wide range of people but is also attracting mature students with a direct interest in developing themselves further as professionals in a range of industries.

We enable:

- access to the grounds by the wider community in keeping with the ethos and values of the College

- provision of theological education to the wider community via our Manchester Bible School pre-degree programmes
- access of means-tested bursaries and scholarship
- access to listening services
- the provision of subsided access to our theological library facilities for students, members of the local Christian community
- the use of the grounds as a haven
- access to refreshments to the wider community at 11am daily

Access and Participation (APP)

In accordance with the Higher Education and Research Act 2017 our Governing body is responsible for overseeing NTC's Access and participation plan. This year Governors:

a) received an update on the plan and its implications for our organisation
b) received reports from the Academic Dean and Registrar relating to the outcomes of our students
c) ensured that funds provided by OfS (including APP) and the Department for Education have been applied in accordance with the relevant terms and conditions
d) ensured that the APP expenditure was in keeping with our commitments to offer direct financial support to current and future students.

NTC identified clear priorities as the focus of our APP plan supporting student access to higher education, and to create an environment where students can flourish and achieve their full potential.

NTC's plan focuses on:

- supporting access to higher education
- ethnic minority student success and progression
- students from low-participation neighbourhoods

Connecting with schools and churches in areas of unique need and low participation is a unique part of NTC. We have continued to emphasise this over the year, specifically engaging with communities who do not tend to join HE. The emphasis has been both on younger people and mature students.

We engage with a range of people who have disabilities and the College has invested in provision for these students. The high level of students with disabilities is viewed as positive by the College, as we fulfil our aim of being an accessible and flexible place of learning. We believe that our approach to excellent support, wrap-around care, and small class sizes mean that the College is a safe place for people with additional needs to find their way to success. Our commitment to widening participation is one of the hallmarks of our educational provision.

Use of volunteers

The College is grateful to and indebted to, those members of our denomination who, in response to the needs identified, are able to offer themselves as volunteers to assist in non–academic areas of the College life. These include maintenance work, housekeeping assistance, general clerical work, cooking, library support and a range of other roles.

During their period of volunteering, all volunteers operate to the guidance of the College's policies and procedures and are covered under the required Health and Safety regulations.

Grant making policy

The College takes the view that it will do whatever is in its power to assist students, particularly those from the majority world, in meeting the cost of their tuition and living expenses. Accordingly, several scholarships have been established through donations to the College that qualifying students can benefit from. The scholarships are restricted and treated as such in the accounts.

The College gives a range of grant support and scholarships with the clear aim of caring for those who may not access education. This also enables students from non-traditional backgrounds to succeed. We have solicited specific funds for the Global South and for people from black and other ethnic backgrounds to access and develop in education. We see this as a key part of our orientation around caring for those on the margins.

We have agreed our Access and Participation Plan with the Government.

Financial review

The College's tuition fees are reviewed on an annual basis. Our aim in setting fees is always to be commensurate with the sector and achieving a breakeven operating budget.

The College's finances were impacted significantly by Covid-19 and we continue to work through the legacy effect of the pandemic. Salary pay cuts made in 2019-20 were redressed and an uplift for all members of the team was given in the new financial year on the basis of our financial position.

Following careful management, the College's year end results were a surplus of £39,286.

We completed work through the year 2022/23 of the grant 'Science for seminaries.' This included funds towards delivery of courses that demonstrate theology and science as a conversation partner. Our Academic Deans, Dr. Peter Rae and Dr. Jacob Lett are overseeing the final provisions of the grant, with the faculty team supporting the delivery of materials alongside local specialists.

We had received a legacy from Mrs. Eunice Longworth, a long time supporter and friend of the college. Her legacy was gifted for General Scholarship and was an unexpected gift. A further third tranche was given to the MWRC, however the solicitors alerted us to a legal dispute relating to it and asked us to retain the monies. In December 2022 the issue was resolved and the funds were released to the MWRC.

The projections for the coming year, which will end 30th June 2024 have been based on the previous year's income and expenditure (year ended 30th June 2023). We have reviewed these internally using a number of points of triangulation: student trends, data relating to the sector, our own history and engagement in key recruitment settings and so, we anticipate:
a) an at target student uptake of HE places at the College at Undergraduate level, still below pre-pandemic levels but more robust than 2022-23
b) a healthy intake at Masters' level matching 2021-22
c) a stable intake at PhD level
c) robust rental of the facilities
d) accommodation at least 90% of capacity
e) strategic developments and investment in order to move the College forward in funding pathways including ongoing funding commitments from the Church of the Nazarene
f) a significant increase in fees from the University of Manchester for programmes, pathways and per student
g) an increase in mortgage repayments due to interest rate rises

The Trustees and the Senior Leaders of the College have kept the finances under constant and regular review.

The restricted funds held by the College for the purposes of Scholarships and Principal's Project have been drawn upon in accordance with policy and the intended purpose of the donations, and these transactions are reflected in the attached financial statements.

Audit Review

The Audit from the year 2022-23 was reviewed by the Governors and responded to.

Alexander Bursk, appointed in 2015, helped the College to continue to ensure we are robust in our financial management and practices. However, as per the College's policy we sent our audit for tender and have appointed Slade and Cooper as the College's new auditors.

We continue to have an outside observer who has been a professional risk auditor for an international bank. Though serving in a voluntary capacity, he offers the Governors scrutiny of our practice in meetings. This role is ongoing and will support the development of Governors into 2023-24 though this will be the last year of this particular arrangement.

Investment Policy

In compliance with the Charity Commissioners' guidance "Charities and investment matters: a guide for trustees" (CC14 last updated on 1 October 2011) the College Governors have implemented an Investment Policy. The key issues addressed are:

a) the need for enough resources for the charity to carry out its present and future activities effectively
b) the level of acceptable risk and how to manage it, and
c) the charity's stance on ethical investment

This policy is reviewed every two years by the finance sub-committee of Governors, however, any investment decision needing the approval of the finance sub-committee will in turn be referred to the full meeting of Trustees.

Reserves policy

It is the intention of the College Governors to continue a programme of securing a reserve of funds to provide a protection against any temporary downturn in student numbers. The level of reserves to be set aside for this purpose will be in accordance with the Reserves Policy and Governors will determine the amount to be set aside to reach this target on an annual basis where possible.

Amount of reserves held: the unrestricted and restricted funds held in cash at bank and in hand and other assets amount to £3,035,366 of which £2,659,108 were unrestricted and £376,258 were restricted.

The Charity continues to operate as a going concern. The basis of this is student recruitment, the development of additional funding streams for students and the increase in regular donations. Our on-going validation with a world class university also makes us attractive for students and our impressive graduating class in research degree programmes enhances our reputation year on year. Additionally, the property portfolio has a value well in excess of the Balance Sheet valuation and this, should it be required, could be realised to more than cover any unforeseen liabilities. We are actively working towards developing our funds.

Principal funding sources

The principal source of funding continues to be the income generated through tuition fees for students plus meeting their accommodation needs through Halls of Residence. A further valued source of funding continues to come from both the General Church of the Nazarene through an operations grant and also from churches in the UK who contribute through their annual budgets to the work of the College. Neither of the latter two sources are either restricted or designated funds.

Administrative Review

The addition of the Compliance committee has enabled the operations side of the College to move towards assurances of excellence in practice. Having identified the burden of responsibility on the Director of Operations the College appointed a People Advisor to support the human resource side of administration.

In September 2022 Dr. Sam Rogers became the Communication and Recruitment Director. He reviewed all marketing spending, reconfigured the team, and is working through a revision of the Website. He is taking a data driven approach to the College's recruitment.

We also actively participate in government consultations on changes in the higher education authority to keep abreast of any external risk factors.

Core team members have managed and reported within the agreed terms of the Prevent agenda.

Succession planning for the team has been a significant part of the current year, with transition mapping for changing roles at all levels of the organisation. Key changes are the intention to retire of some members of faculty and we are undertaking a review of roles and responsibilities.

Plans for future periods

The College plans for the current period relate to ongoing management of the previously agreed strategic plan. This covers primary areas identified in the implementation and review of the earlier strategic review. These are identified as a) Academic excellence and research led learning, b) Christ-like community focussed.

Within these areas the college has a clear focus on:

Student Recruitment

- we will widen student recruitment including reaching new markets
- ensure that the education experience of current students remains positive
- offer continued improvements to our courses
- develop pipelines in pre-degree marketing

Programmes of Study

- we will consolidate and review our programmes of study including in the Asian Christian Studies and Community Development areas
- we will seek further approvals for online offerings at MA and BA level moving from synchronous to asynchronous in some areas
- we will evaluate, review and revise our pastoral, social and practical theology subject area
- we will make decisions regarding the development and form of our youth work programme, shifting it towards ministry our programmes following a rolling review
- we will continue to develop short online courses as part of an advertising strategy

Partnerships

- we will seek partnerships with compatible entities in order to develop our profile and reach
- ensure accessibility to a wide range of partners
- deliver the Science for Seminaries to fulfilment our grant
- we will work with Asbury Seminary, Kia and Newbigin School of Urban Leadership to develop areas of education that serve the wider needs
- we will revive study abroad initiatives

Geographical Reach

- the College will continue to develop our relationships with the Global South for faculty development
- the College will continue to strengthen relationships with partners in North America
- we will continue to recruit from beyond the UK to all levels of programme
- we will serve diaspora communities within the UK

National and International Profile

- we will continue to develop our international and national profile in order to develop a pipeline of students
- we will invest in development of our alumni networks

Finances

- In order to be sustainable we need to have managed growth.
- We continue to review our salary structure.
- We need to review our financial modelling and fundraising/partnerships, including considering the establishment of a US based foundation for fundraising
- We will continue to work towards a healthy financial culture including careful projections and budgeting and development of security for medium and long-term planning
- We note that we have few significant trust donors and we will revisit opportunities in this area
- We have managed the expenditure of our funding from the 'science for seminaries' grant fund, and will spend this in accordance with the requests made
- We will pursue other opportunities in relation to science and theology
- We have monitored the expenditure of our APP funding including careful distribution towards the aims outlined in the plan
- We will actively explore other research grants to support specific aspects of our development plans

Campus

- the primary focus in our campus was the completion of the roof
- focus on developing a campus plan to take us to 2030
- planned maintenance and refurbishment of student accommodation
- continued letting in keeping with our charitable aims as space and restrictions permit
- we have a cap ex plan in place for regular investment to emerge
- the goal of being Carbon Neutral is underway with staged investment in short, medium and long term planning

Governance

- we are in the process of reviewing our Constitution and our Governance practices
- replenishing and recruiting Governors for the coming cycle including a focus on equality and diversity in our recruitment to Governors
- ensure ongoing support for our Governors is offered by the College team

- undertake induction and training for all Governors, new and returning
- review the strategic direction and reporting mechanisms received by Governors to ensure that they are clear and satisfactory
- implementing a plan for a full-strength board of trustees with a matrix of skills and backgrounds in order to provide effective Governance and leadership

Following a review of our projected finances and in light of areas identified as key for future development (recruitment, online/digital and succession) the Governors agreed that we needed to invest in key areas for development:

Commissioning a new website - this is underway and will be delivered within the 2023-24 academic cycle.

Key personnel for supporting the development and delivery - we are in the process of putting people in place to support roles, engage in promotion of the College and enhance our delivery

Campus spaces for student satisfaction including a range of quiet study spaces as the library shifts towards a more learning commons approach.

The College continued drawing on our Vision Document 2030. It is a comprehensive and forward-thinking document to enable the College to continue to meet its aims and objectives. In response to the current landscape of theological education it is critical that the College develops, enhancing operations in order to grow to enable a sustainable future. The document will be reviewed and developed by a proposed Strategic innovation and change advisory group, who will report to the Board of Governors. We anticipate that in 2023-24 a new five year strategic plan will be developed.

Academically the College is increasing recruitment into Masters level. It is developing its capacity for flexible and effective learning in a variety of on-line and off-site ways. The College is offering opportunities for intercultural study for students from overseas. We continue to ensure we offer excellence and cutting-edge theological thinking. The College is also working to develop and enhance our core faculty team. We are reviewing key appointments in part of careful succession planning working towards a known plan relating to people who have expressed their intentions to change or retire.

We are also investing in student learning support provision and chaplaincy/counselling services.

This includes:
The appointment of additional learning support officers for masters' level support
The on-going designation of time developing study abroad by one of our Academic Office team (2 hours per week)

The College continues to invest in a research and development project to develop a plan for pre-degree-level learning and additional programmes.

The College is developing its physical plant in relation to the academic developments which are our core business

The **Academic Board** continues to explore:

a) creative and alternative modes of delivery.
b) partnerships with other Wesleyan institutions of Higher Education.
c) course development relating to the needs of academic programming, training for ministry and theological benchmarks in the 21st Century.
d) the implementation of strategic planning across all levels of academic life in the College.

e) Active promotion of the College in all areas and the recruitment of students at both undergraduate and postgraduate levels from the UK and globally.
f) The increased geographical plan of places to be in order to develop our profile
g) The appointment of specialists in HE from other Universities to the Academic Board to speak into the College's developments

The **Administrative Council** continues to explore:

a) seamless integration of all administrative functions.
b) all departments of the College continuing to operate and improve in their efficiency.
c) streamlining processes and procedures.
d) financial sustainability.
e) further development of publicity and recruitment in targeted ways.
f) compliance with the Prevent Government agenda.
g) training and enhancement of our staff team
h) the appointment of external specialists to support the development of our administrative functions

Structure, governance and management

Governing document

The College is governed under a DECLARATION OF TRUST deed dated 25th June 1970 as amended 2nd February 1990 and again on the 1st February 1991 and the CONSTITUTION as approved by two thirds of the members present and voting at both the North and South District Assemblies of the Church of the Nazarene and as amended from time to time in accordance with the Constitution.

Recruitment and appointment of Governors

The Governors of the College are appointed by election at the Annual District Assemblies of the North and the South Districts of the Church of the Nazarene in the UK. A nomination committee currently proposes names of members of the denomination to the delegates to vote upon, there being an equal number of Governors appointed from each District. In addition to those appointed in this way, the two elected District Superintendents are appointed by virtue of their office as ex officio members of the Board of Governors, and, under the Constitution, up to four additional Governors can be appointed from outwith the denomination and four members-at-large are appointed by the British Isles National Board of the Church of the Nazarene.

The appointment and code of operation of members of the Board of Governors is set out in full in the Constitution of the College.

The Governors of the College are elected and appointed as set out in the Constitution. Within this document the voting Governors are referred to as the Trustees and are unambiguously and collectively accountable for the institutional activities and take all final decisions on matters of fundamental concern for the College. In order to ensure limited liability, the College has a practice of ensuring business liability cover is included in our insurance. In the past year, and stretching into 2023-24 we are reviewing our Constitution and, when it has been approved by our Governors, we will send any amendments to the Charity Commission for approval.

The College's approach to governance applies the Public Interest Governance principles of the Office for Students. It also follows the good practice for the Higher Education sector identified in "the Higher Education Code of Governance" produced by the Council of University Chairs.

Induction and training of trustees

All Governors are made aware of the ethos and mission of the College and participate in regular training programmes to increase their understanding of the role and also the issues affecting the work of the College. Governors are encouraged to access the Charity Commission website on a regular basis to download any and all relevant material and resources that will enhance their ability to fulfil their duties.

There is an Induction programme for newly elected Governors. The College invests in 'Governance' Magazine for all governors and has a Board Code of Practice for all who serve in this capacity. Each Governor has access to a dedicated and password protected Governance Moodle site (virtual learning platform).

Organisational structure

The organisational structure of the College is constantly developing as it seeks to meet and fulfil its stated goals and aspirations. The principal point of governance in all matters continues to be the Board of Governors to which all senior staff report, the Principal, Vice Principal, Dean of Faculty, Director of Operations (including the reports from the People Advisor). The Principal meets regularly with the Financial Controller and the Principal and Director of Operations meet with the Finance Controller to review the monthly management accounts.

The **Core Team** of the College, is the key management group, led by the Principal, for the day-to-day strategic operations of the College. CLT members attend board meetings as support staff during the year for the majority of items discussed as requested by the board. The process to appoint and set pay for CLT members are determined in accordance with the constitution. The Board of Governors have a remuneration committee which reviews pay structures, professional development financing and ensures that the College is considering pay levels as appropriate to the experience, responsibility and market of the sector. There is no automatic entitlement to annual salary increases. The philosophy of the College emphasises paying its least well-paid staff at least the Real Living Wage. The structure is also relatively flat, with the Core Leadership Team paid well, but within keeping with the Higher Education and the church ministerial pay structures they relate to.

The Board of Governors receives and monitors Risk Reports regularly and the Core team manages risk regularly.

In addition to the Core team and its operations, there are two significant Boards through which all policies and proposals must pass in order to be presented to the Board of Governors for the Trustees vote, these are the Administrative Council and the Academic Board. The Academic Board approves all matters of an academic nature including new programmes, and the Administrative Council receives and approves all matters of a financial and administrative nature, in particular the approval of any proposed change to an existing policy or a new policy.

Below these Boards, a range of operational and reporting Boards meet.

A further committee which implements operational decisions and reviews the cash flow and budgets for the College is the Administrative Council.

In addition, as with all such institutions, a range of other committees meet on a regular basis to deal with the day-to-day operations of the College and which make recommendations to or seek approval from the other bodies mentioned above. These committees include, but are not limited to Faculty, Placement, Student Council, and Library, etc.

In the coming year the College will review its internal structures to ensure collaboration, culture and efficiency are baked into our systems. We will revisit how we create and store documents to ensure they are 'living' and in use.

We are also undertaking a review of pathways of recruitment, communication and their relationship to our admissions processes to ensure that our recruitment conversation rate is high from first encounter to final admission as a student.

Representation at Board meetings:

The Principal, CLT and student representatives are part of Board of Governor meetings, providing necessary perspectives to support the Board to govern effectively. The Principal, who attends meetings *ex officio*, and any additional paid member of the team invited into meetings, have full rights of attendance and participation at meetings, but in line with the College's constitution as a charity, as employees and beneficiaries of the Charity, they do not have voting rights. Student representatives have no less right of participation and are not in any way disadvantaged.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and purposes.

Risk management

The risk management strategy of the College is reviewed and a risk assessment completed by the Core Leadership Team and reviewed by the Governors annually in their November meetings. There is a continual process of formulation and development in response to the changing circumstances that could impact upon the work of the College and its fulfilment of its ethos and mission.

The Board of Governors, in considering this important task, take direction from the on-going discussions of the College personnel, both internally and through their meetings with external advisers, and seeks to find ways to mitigate the impact of such risks through proactive planning and transferring of identified risks on an on-going basis.

The most serious risks to NTC's existence and development are:

-insufficient student numbers over a sustained period
-changes in Government legislation
-changes in validation arrangements of the policies of our partner organisations
-the denominational affiliation in the light of declining membership and global shifts in emphasis.

In order to ensure these risks do not materialise the College:

- is developing a new five year business plan seeking to diversity our products and services, diversify our income streams to be less reliant on student-based income and manage our expenditure
- is investing in a new digital specialist and reviewing our marketing and admissions structures to ensure our profile is raised
- ensures that we have good compliance with all Government policy, good relationships with the Office for Students and regularly ensuring we are prepared for a revalidation with the University of Manchester
- monitors and reviews the historic affiliation with the wider Nazarene denomination and is looking at ways to reflect the reality of our reach beyond the denomination by reviewing our constitution and affiliations. In this way we can ensure we are consistent in our approach as a Wesleyan-Theological institution set in the UK context.

Related parties

Any and all related parties are clearly identified in the notes to the Accounts. At each meeting of the Governors there is a conflict of interest form to clearly identify any matters that arise and a register kept.

The elections of trustees from the British Isles South and North District and the *ex officio* appointments of the District Superintendents mean that from time to time there are transactions between those entities and Nazarene Theological College. This is disclosed in note 14

Statement of Board of Governors' responsibilities

The Board of Governors is responsible for preparing the Board of Governors' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law in England & Wales requires the Board of Governors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period. In preparing the accounts the Board of Governors 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;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the Financial Statements comply with the Charities Act 2011 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Voting Members of the Board of Governors, who are trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

Advisors to the Board who served during the year and up to the date of this report are set out on 4.

Auditors
Slade and Cooper were appointed in 2023.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS102) and the *Charities Act 2011*.

The trustees' annual report has been approved by the trustees on 25th November 2023 and signed on their behalf by

Mr. Ian Burleigh

Opinion

We have audited the financial statements of Nazarene Theological College (the 'charity') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 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.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement 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.

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 trustees' responsibilities statement set out on page 18, the trustees are responsible for the preparation of financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Slade & Cooper Limited
Statutory Auditors
Beehive
Jersey Street
Manchester
M4 6JG

Date: 29 November 2023

Slade & Cooper Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Nazarene Theological College

Statement of Financial Activities
for the year ended 30 June 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and legacies	3	126,948	238,219	365,167	*278,137*
Charitable activities:	4	1,138,030	-	1,138,030	*1,013,358*
Other trading activities	5	213,005	-	213,005	*205,527*
Investments	6	4,288	1,673	5,961	*2,834*
Total income		**1,482,271**	**239,892**	**1,722,163**	***1,499,856***
Expenditure on:					
Raising funds	7	-	-	-	*2,686*
Charitable activities:	9	1,400,817	282,419	1,683,236	*1,441,751*
Total expenditure		**1,400,817**	**282,419**	**1,683,236**	***1,444,437***
Net income / (expenditure) before net gains / (losses) on investments		81,454	(42,527)	38,927	*55,419*
Realised/unrealised gains/(losses) on investments		359	-	359	*49,713*
Net income / (expenditure) for the year	11	**81,813**	**(42,527)**	**39,286**	***105,132***
Transfer between funds		-	-	-	-
Net movement in funds for the year		**81,813**	**(42,527)**	**39,286**	***105,132***
Reconciliation of funds					
Total funds brought forward		2,577,295	418,785	2,996,080	*2,890,948*
Total funds carried forward		**2,659,108**	**376,258**	**3,035,366**	***2,996,080***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Nazarene Theological College

Balance Sheet
as at 30 June 2023

	Note	2023		*2022*	
		£	£	*£*	*£*
Fixed assets					
Tangible assets	17		1,918,333		*1,925,806*
Investments	18		161,402		*161,043*
Total fixed assets			**2,079,735**		***2,086,849***
Current assets					
Debtors	20	191,459		*206,422*	
Cash at bank and in hand	21	1,130,022		*1,144,214*	
Total current assets		**1,321,481**		***1,350,636***	
Liabilities					
Creditors: amounts falling due in less than one year	22	(217,868)		*(282,500)*	
Net current assets			**1,103,613**		***1,068,136***
Total assets less current liabilities			3,183,348		*3,154,985*
Creditors: amounts falling due after more than one year	24		(147,982)		*(158,905)*
Net assets			**3,035,366**		***2,996,080***
Funds of the charity:					
Restricted income funds	25		376,258		*418,785*
Unrestricted income funds	26		2,659,108		*2,577,295*
Total charity funds			**3,035,366**		***2,996,080***

The notes on pages 25 to 46 form part of these accounts.

Approved by the trustees on 25 November 2023 and signed on their behalf by:

Mr. Ian Burleigh (Chair)

Nazarene Theological College

Statement of Cash Flows
for the year ending 30 June 2023

	Note	2023 £	*2022* *£*
Cash provided by / (used in) operating activities	30	**18,844**	***122,362***
Cash flows from investing activities:			
Dividends, interest, and rents from investments		5,961	*2,834*
Purchase of tangible fixed assets		(23,196)	-
Cash provided by / (used in) investing activities		**(17,235)**	***2,834***
Cash flows from financing activities:			
Repayment of borrowing		(15,801)	*(16,259)*
Cash provided by / (used in) financing activities		**(15,801)**	***(16,259)***
Increase/(decrease) in cash and cash equivalents in the year		(14,192)	*108,937*
Cash and cash equivalents at the beginning of the year		1,144,214	*1,035,277*
Cash and cash equivalents at the end of the year		**1,130,022**	***1,144,214***

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Nazarene Theological College meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

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 is classified under the following activity headings:

- Costs of raising funds comprise the costs of raising donations and their associated support costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated entirely to charitable activities, which reflect the use of resources.

¡ Bursaries payable

Bursaries payable are recognised in the year when an award has been approved by the trustees through the budget setting process and communicated to the recipient during the year by the finance team. Where such bursaries have not yet been paid at the end of the year, they are included within current liabilities.

j Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

k Tangible fixed assets

Individual fixed assets costing £2000 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Land and buildings	-	1% straight line
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	33% reducing balance

l Fixed asset investments

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

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

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

m Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q Pensions

The charity contributes to defined contribution pension schemes on behalf of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees and it has no other liabilities to these schemes.

2 Legal status of the charity

The charity is an unincorporated charity, registered as a charity in England & Wales.

3 Income from donations and legacies

Current reporting period	Unrestricted £	Restricted £	Total 2023 £
Donations	126,948	238,219	365,167
Total	126,948	238,219	365,167

Previous reporting period	*Unrestricted £*	*Restricted £*	*Total 2022 £*
Donations	*99,911*	*178,226*	*278,137*
Total	*99,911*	*178,226*	*278,137*

4 Income from charitable activities

Current reporting period	Unrestricted £	Restricted £	Total 2023 £
Grant and fee income			
Grant income from OFS	18,388	-	18,388
Fee income from taught awards	507,190	-	507,190
Fee income from research awards	479,550	-	479,550
Fee income from non-qualifying courses	22,595	-	22,595
Bookshop sales	114	-	114
Education services grants (KC)	42,515	-	42,515
District budgets	67,678	-	67,678
Total	1,138,030	-	1,138,030

Previous reporting period	*Unrestricted £*	*Restricted £*	*Total 2022 £*
Grant and fee income			
Grant income from OFS	*18,216*	-	*18,216*
Fee income from taught awards	*456,037*	-	*456,037*
Fee income from research awards	*397,392*	-	*397,392*
Fee income from non-qualifying courses	*32,956*	-	*32,956*
Bookshop sales	*300*	-	*300*
Education services grants (KC)	*50,100*	-	*50,100*
District budgets	*58,357*	-	*58,357*
Total	*1,013,358*	-	*1,013,358*

5 Income from other trading activities

	2023 £	*2022* *£*
Lettings and commissions	213,005	*185,406*
Employer' allowance and JRS income	-	*12,692*
Sundry income	-	*7,429*
	213,005	*205,527*

All income from other trading activities is unrestricted.

6 Investment income

Current reporting period

	Unrestricted £	Restricted £	Total 2023 £
Income from bank deposits	1,517	1,673	3,190
Income from investment properties	2,640	-	2,640
Other investment income	131	-	131
	4,288	1,673	5,961

Previous reporting period

	Unrestricted *£*	*Restricted* *£*	*Total 2022* *£*
Income from bank deposits	*21*	*46*	*67*
Income from investment properties	*2,640*	*-*	*2,640*
Other investment income	*127*	*-*	*127*
	2,788	*46*	*2,834*

7 Cost of raising funds

	2023 £	*2022* *£*
Cost of raising donations and legacies - Donations	-	*2,686*
	-	*2,686*

All expenditure on cost of raising funds is unrestricted.

8 Analysis of expenditure on charitable activities by fund type

Current reporting period	Unrestricted funds £	Restricted funds £	Total 2023 £
Facilities	197,195	209,697	406,892
Education	589,123	72,722	661,845
Support costs (see note 9)	614,499	-	614,499
	1,400,817	282,419	1,683,236

Previous reporting period	*Unrestricted funds £*	*Restricted funds £*	*Total 2022 £*
Facilities	*198,039*	*50,764*	*248,803*
Education	*682,957*	*72,722*	*755,679*
Support costs (see note 9)	*436,472*	*797*	*437,269*
	1,317,468	*124,283*	*1,441,751*

In accordance with the Access and Participation Plan, this year the College has spent £18,400 (2022: £18,235) on Access Investment, £5,489 (2022: £2,666 on Financial Support bursaries for students from underrepresented groups, £66,450 (2022: £46,320) on University Fee waivers and £2,265 (2022: £3,375) on harsdhip funds. In addition, £2,000 (2022: £2,000) has been spent on Research and Evaluation Investment for new courses.

9 Analysis of expenditure on charitable activities by activitity type

Current reporting period	Activities undertaken directly £	Support costs £	Total 2023 £
Facilities	406,892	564,491	971,383
Education	661,845	25,954	687,799
Governance costs	-	24,054	24,054
	1,068,737	614,499	1,683,236

Previous reporting period	*Activities undertaken directly £*	*Support costs £*	*Total 2022 £*
Facilities	*248,803*	*380,508*	*629,311*
Education	*755,679*	*39,179*	*794,858*
Governance cost	*-*	*17,582*	*39,179*
	1,004,482	*437,269*	*1,463,348*

10 Analysis of support costs

Current reporting period	Basis of apportionment	Facilities £	Education £	*Total 2023 £*
Staff costs		366,465	-	366,465
General office		75,716	-	75,716
Finance costs		15,814	-	15,814
Governance costs		24,054	-	24,054
Travel and accommodation		18,659	-	18,659
Publicity		36,652	-	36,652
Events		14,083	-	14,083
Depreciation		30,669	-	30,669
Professional costs and sundries		6,433	25,954	32,387
		588,545	25,954	614,499

Previous reporting period	*Basis of apportionment*	*Facilities £*	*Education £*	*Total 2022 £*
Staff costs		*189,216*	*-*	*189,216*
General office		*68,409*	*-*	*68,409*
Finance costs		*11,385*	*-*	*11,385*
Governance costs		*17,582*	*-*	*17,582*
Travel and accommodation		*15,708*	*-*	*15,708*
Publicity		*15,306*	*-*	*15,306*
Events		*1,725*	*-*	*1,725*
Depreciation		*27,475*	*-*	*27,475*
Professional costs and sundries		*51,284*	*39,179*	*90,463*
		398,090	*39,179*	*437,269*

11 Net income / (expenditure) for the year

This is stated after charging/(crediting):	2023 £	*2022* *£*
Depreciation	30,669	*27,475*
Operating lease rentals:		
Equipment	4,645	*4,834*
Auditor's remuneration - audit fees	6,360	*6,960*
Auditor's remuneration - accountancy fees	2,160	*2,040*

Also included within expenditure are bursaries and scholarships of £104,782 (2022: £84,578) of which £76,140 (2022: £72,722) was paid from restricted funds.

12 Staff costs

Staff costs during the year were as follows:

	2023 £	*2022* *£*
Wages and salaries	722,555	*634,958*
Social security costs	53,286	*44,828*
Pension costs	19,027	*17,577*
	794,868	*697,363*

No employee has employee benefits in excess of £60,000 (2022: Nil).

The average number of staff employed during the period was 49.59 (2022: 49).
The average full time equivalent number of staff employed during the period was 26 (2022: 24.9) and is analysed as follows:

	2023 No.	*2022* *No.*
Academic	9.2	*9.6*
Student support	4.3	*2.7*
Administration	6.6	*6.3*
Chaplaincy	0.8	*0.6*
Housekeeping	1.0	*0.9*
Library	0.8	*0.8*
Manchester Wesley Research Centre	1.2	*1.3*
Maintenance	1.3	*1.5*
Publicity and recruitment	0.7	*1.0*
Archivist	0.2	*0.2*
	26	*24.9*

Key management Personnel

	2023 £	*2022* *£*
Salary	42,434	*40,445*
Pensions	1,273	*1,243*
Other taxable benefits	-	*1,000*
	43,707	*42,688*

This remuneration package is in line with others in the School of Theology sector and is in lin with value and performance delivered. The performance is reviewed annually by the Board of Governors and the Remuneration is set by the Board of Governors, having due consideration to performance and sector wide factors.

i) The head of the providers' basic salary is 1.3 (2022: 1.8) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff

ii) The head of the providers' total remuneration is 1.2 (2022: 1.3) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remunderation by the provider of its staff.

13 Pensions and other post retirement benefits

The amount recoggnised in expenditure as an expense in relation to defined contribution plans was £15,822 (2022: £17,577)

Pension costs are attributed to the activites in which those employees for whom they relate are engaged.

14 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or during the year (2022: £10,462).

Two members of the management committee received travel and subsistence expenses during the year of £380 (2022:£388).

Unrestricted donations of £2,080 (2022: £1,510) were received from trustees during the year.

Income of £21,000 (2022: £31,400) was received from the Church of the Nazarene British Isles Southern District, of which Reverend C McCann is also a trustee.

Income of £46,678 (2022: £26,957) was received from the Church of the Nazarene British Isles Northern District, of which Revd R Turner is also a trustee.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2022: £nil).

15 Government grants

The government grants recognised in the accounts were as follows:

	2023 £	*2022* *£*
OFS	18,388	*18,216*
	18,388	*18,216*

16 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

17 Fixed assets: tangible assets

	Land and buildings	Fixtures and fittings	Equipment	Total
Cost	£	£	£	£
At 1 July 2022	2,294,885	192,701	28,827	2,516,413
Additions	-	21,050	2,146	23,196
Disposals	-	-	-	-
At 30 June 2023	2,294,885	213,751	30,973	2,539,609
Depreciation				
At 1 July 2022	394,727	167,053	28,827	590,607
Charge for the year	22,949	7,005	715	30,669
Disposals	-	-	-	-
At 30 June 2023	417,676	174,058	29,542	621,276
Net book value				
At 30 June 2023	1,877,209	39,693	1,431	1,918,333
At 30 June 2022	*1,900,158*	*25,648*	-	*1,925,806*

18 Investments

	2023 £	*2022* *£*
Market value at the start of the year	161,043	*111,330*
Add: additions to investments at cost	-	-
Disposals at carrying value	-	-
Add net gain/(loss) on revaluation	359	*49,713*
	161,402	*161,043*
Cash held by investment broker pending reinvestment	-	-
Market value at the end of the year	161,402	*161,043*
Investments at fair value comprised:		
Listed investments	3,069	*2,710*
Investment properties	158,333	*158,333*
	161,402	*161,043*

Investments are all held at valuation.

Investment properties

The investment property was revalued on 24 June 2022 by Richard N D Smth BSc (Hons), MRICS on behalf of Fifield Glyn Chartered Surveyors.

Financial assets held at fair value

Investments in listed shares are stated at their market value at the balance sheet date.

19 Net gains on investments

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted funds £	Total Funds 2022 £
Gains/(losses) on investment property	-	-	50,333	50,333
Gains/(losses) on listed investments	359	359	(620)	(620)
Gains/(losses) on other investment assets				
	359	359	49,713	49,713

20 Debtors

	2023 £	*2022 £*
Trade debtors	156,138	*161,102*
Prepayments and accrued income	35,321	*45,320*
	191,459	*206,422*

21 *Cash at bank and in hand*

	2023 £	*2022 £*
Cash at bank and on hand	*1,130,022*	*1,144,214*
	1,130,022	*1,144,214*

22 Creditors: amounts falling due within one year

	2023 £	*2022 £*
Bank loans and overdraft	14,431	*19,309*
Loan	-	*100,000*
Trade creditors	110,753	*56,493*
Other creditors and accruals	65,874	*45,879*
Deferred income	23,097	*51,199*
Taxation and social security costs	3,713	*9,620*
	217,868	*282,500*

23 Deferred income

	2023 £	*2022 £*
Will beneficiary	-	*28,399*
Projects	15,707	*22,800*
Accommodation income	7,390	-
Deferred grant carried forward	23,097	*51,199*

£23,097 (2022: £22,800) relates to income from a two year funding of two projects where the obligations for the second year warrant deferment until the obligations are fulfilled by the college.

24 Creditors: amounts falling after more than one year

	2023 £	*2022* *£*
Bank loans and overdrafts	147,982	*158,905*
	147,982	*158,905*

The Bank loans of £162,413 (2022: £178,214) are secured by a first legal charge over the charity's property at Dene House, Didsbury, which is included in the accounts at net book value of £1,918,334.

Included within creditors: amounts falling due after more than one year is an amount of £74,587 (2022: £81,671) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Mortage payments falling due after more than five years are due to be paid in instalments. The loans are repaid on variable interest basis, and as such instalments will vary from current rate of £2,106 per month, including interest at the rate applicable at the time.

25 Analysis of movements in restricted funds

Current reporting period	Balance at 1 July 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2023 £
Student Scholarship	223,679	83,628	(72,722)	-	234,585
Development Fund	141,477	133,464	(146,595)	-	128,346
Scottish School of Christian Mission	23,327	-	(10,000)	-	13,327
Science for seminaries	30,302	22,800	(53,102)	-	-
Total	418,785	239,892	(282,419)	-	376,258

Previous reporting period	*Balance at 1 July 2021 £*	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 30 June 2022 £*
Student Scholarship	*185,937*	*100,464*	*(62,722)*	*-*	*223,679*
Development Fund	*145,532*	*40,608*	*(44,663)*		*141,477*
Scottish School of Christian Mission	*33,327*	*-*	*(10,000)*		*23,327*
Science for seminaries	*-*	*37,200*	*(6,898)*	*-*	*30,302*
Total	*364,796*	*178,272*	*(124,283)*	*-*	*418,785*

The Student Scholarship Fund is made up of individual donations with specific instructions how the money should be used, according to the wishes of individual donors.

The Development Fund represents donations made to the annual Principal's Project and expenditure relating thereto.

The Scottish School of Christian Mission Fund represents monies received from that institution when its work was incorporated into that of the Nazarene Theological College, to be used for student bursaries only.

Science for Seminaries fund relates to specific income received to be spent on the Science for Seminaries research and teaching project.

26 Analysis of movement in unrestricted funds

Current reporting period	Balance at 1 July 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	As at 30 June 2023 £
General fund	2,577,295	1,482,271	(1,400,817)	-	359	2,659,108
	2,577,295	1,482,271	(1,400,817)	-	359	2,659,108

Previous reporting period	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	As at 30 June 2022 £
General fund	2,526,152	1,321,584	(1,320,154)	-	49,713	2,577,295
	2,526,152	1,321,584	(1,320,154)	-	49,713	2,577,295

Name of	**Description, nature and purposes of the fund**
General fund	Unrestricted funds

27 Analysis of net assets between funds

Current Reporting Period	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	1,918,333	-	-	1,918,333
Fixed asset investments	161,402			161,402
Net current assets/(liabilities)	727,355	-	376,258	1,103,613
Creditors of more than one year	(147,982)	-	-	(147,982)
Total	2,659,108	-	376,258	3,035,366

Previous Reporting Period	*General fund £*	*Designated funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*1,850,424*	*-*	*75,382*	*1,925,806*
Fixed asset investments	*161,043*	*-*	*-*	*161,043*
Current assets	*884,433*	*-*	*466,203*	*1,350,636*
Creditors of less than one year	*(159,700)*		*(122,800)*	*(282,500)*
Creditors of more than one year	*(158,905)*	*-*	*-*	*(158,905)*
Total	*2,577,295*	*-*	*418,785*	*2,996,080*

28 Analysis of changes in net debt

	At 1 Jul 2022 £	Cash flows £	At 30 Jun 2023 £
Cash at bank and in hand	1,144,214	(14,193)	1,130,021
Debt due within one year	(19,309)	4,878	(14,431)
Debt due after one yeear	(158,905)	10,923	(147,982)
	966,000	1,608	967,608

29 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as

	Equipment	
	2023	*2022*
	£	*£*
Less than one year	5,348	*5,931*
One to five years	4,408	*9,723*
	9,756	*15,654*

30 Reconciliation of net movement in funds to net cash flow from operating activities

	2023	*2022*
	£	*£*
Net income / (expenditure) for the year	39,286	*105,132*
Adjustments for:		
Depreciation charge	30,669	*27,475*
(Gains)/losses on investments	(359)	*(49,713)*
Dividends, interest and rents from investments	(5,961)	*(2,834)*
Repayment of borrowing	15,801	*16,259*
Decrease/(increase) in debtors	14,963	*(32,162)*
Increase/(decrease) in creditors	(75,555)	*58,205*
Net cash provided by / (used in) operating	18,844	*122,362*

NAZARENE THEOLOGICAL COLLEGE

England & Wales - Charity number 526675

Accounts

CHARITY REGISTRATION NUMBER: 526675

Nazarene Theological College

Financial Statements

30 June 2022

ALEXANDER BURSK LIMITED
Accountants & statutory auditor
Parkgates
Bury New Road
Prestwich
Manchester
Lancashire
M25 0JW

Nazarene Theological College

Financial Statements

Year ended 30 June 2022

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Nazarene Theological College
Report of the Board of Governors
For the year ended 30 June 2022

The Board of Governors presents its report and audited financial statements from 1st July 2021 to 30th June 2022.

Reference and Administrative Details

Names of the charity trustees who manage the charity and were in place in 2021-2022.

	Name of Trustee	Position on Governors	Voting Member y/n	Term	Body of Appointment
1.	Mr. Ian Burleigh	Chair Member at large	Yes	Jan 26th 2019 - (Jan 2022) Jan 2022 – Mar 2026	National Board Appointee: section 3
2.	Mr Steven Leach	Secretary Member at large	Yes	Jan 26th 2019 - (Jan 2022) Jan 2022 – Mar 2026	National Board Appointee: Section 3
3.	Rev. Carl McCann	Executive member Ex officio	Yes	April 17th 2021 4-year term	British Isles South District
4.	Rev. Ruth Turner	Executive member Ex officio	Yes	May 15th 2021 2-year term	British Isles North District
5.	Mr. Finlay MacKinnon	District lay representative	Yes	Mar 14th 2022 - Mar 2025	British Isles North District
6.	Mr. Iain McGookin	District lay representative	Yes	April 17th 2021 - Mar 2024	British Isles North District
7.	Rev. Lorraine Bell	District elder representative	Yes	April 17th 2021 - Mar 2024	British Isles North District
8.	Rev. Osahon Jeremie Ogbewei	District elder representative	Yes	April 17th 2021 - 2024	British Isles South District
9.	Mrs Katy Dawson	District lay reprehensive	Yes	Appointed October 4th 2021- Mar 2023	British Isles South District
10.	Mr. Philip Howard	Member at large	Yes	Nov 2021 - Nov 2025	National Board Appointee: Section 3
11.	Rev. Arthur Snjiders	Member at large	Yes	Nov 28th 2020 - Nov 2023	National Board Appointee: Section 3
12.	Mrs Laura Nike	District lay representative Vice Chair	Yes	April 17th 2021- Resigned September 2022 (term to be filled Nov 2022 to Mar 2024)	British Isles South District

Nazarene Theological College
Report of the Board of Governors
For the year ended 30 June 2022

Names of the Board of Governors co-opted as advisors for expertise, representation and the development of the Charity who were in place in 2021-2022. All non-voting participants in meetings of the Board.

1.	**Phyllis Thompson**	**Board co-option**	**No**	**Nov 2018 – Nov 2021 (Extended to May 2022 due to Covid)**	**Board of Governors Section 5**
2.	**Mr. Gareth Lawson**	**Board co-option**	**No**	**April 17th 2021 - Nov 2024**	**Board of Governors Section 5**
3.	**Mrs. Rosemary Arnold Knights**	**Board co-option**	**No**	**Nov 28th 2020 - May 2023**	**Board of Governors Section 5**
4.	**Rev. Stéphane Tibi**	**Regional Education Coordinator**	**No**	**Ex officio**	**Eurasia Region**
5.	**Rev. Dr. Klaus Arnold**	**Commissioner International Board of Education**	**No**	**2020**	**General Church**
6.	**Rev. Jim Ritchie**	**Eurasia Regional Director**	**No**	**2020**	**Eurasia Region**
7.	**Rev. Dr. Deirdre Brower Latz**	**Principal**	**No**	**2012**	**Board of Governors**
8.	**Mr Joel Banks**	**Student Body President**	**No**	**May 2022**	**Student Body: Section 4**

Names of the charity trustees who completed their term of office in 2021-2022.

Mrs. Mary Wood	served to April 17th 2022.
Mrs Laura Nike	served to September 23rd 2022.
Mr. Tim Geddes	served to May 1st 2022

Charity name	Nazarene Theological College
Charity Registration Number	526675
Principal Office	Dene Road Didsbury Manchester M20 2GU

Nazarene Theological College
Report of the Board of Governors
For the year ended 30 June 2022

Board of Governors

The Chairman and Vice Chairman are elected by the Governors.

The following trustees are designated to hold title to land and buildings belonging to the charity and are designated to be signatories to mortgages held on behalf of the charity:

Mr. Ian Burleigh (Vice Chair May 2017-2020, Chair 2020-present)
Mr. Steve Leach (Secretary appointed May 2017-present)
Rev. Ruth Turner (Ex Officio and member of the executive, 2020-present)
Rev. Carl McCann (Ex Officio and member of the executive, 2019-present)

The College does not have any funds held as custodian trustees on behalf of others.

Principal staff

Principal	Rev. Dr Deirdre Brower Latz
Vice Principal & Academic Dean	Dr Peter Rae (from July 1st 2019)
Associate Dean and Research Chair	Rev. Dr. Jacob Lett (from July 2022)
Director of Research	Dr. Kent Brower (to June 30th 2022)
Director of Research	Dr. Geordan Hammond (July 1st 2022)
Director of Operations and personnel	Ms. Pauline McKendrick (from September 2018)
Finance Manager	Mrs. Simona Stanfield (on maternity leave Aug 2021-Sept 2022)
Finance Consultant	Mr. Andrew Hollingworth (August 2021-present)

Registered Office

Nazarene Theological College
Dene Road
Didsbury
Manchester
M20 2GU

Website: www.nazarene.ac.uk

Auditors

Alexander Bursk Limited
Parkgates, Bury New Road
Prestwich
Manchester
M25 0JW

Bankers

Barclays Bank PLC
1st Floor
3 Hardman Street
Spinningfield
Manchester
M3 3HF

Solicitors

Anthony Collins Solicitors
134 Edmund St,
Birmingham B3 2ES

Our Objectives and Activities

Purposes and aims

Our charity's purposes are set out in the objects of the charity which are to foster, promote and maintain theological higher education in harmony with the Manual of the Church of the Nazarene, as interpreted by the General Assembly of the Church of the Nazarene in session from time to time.

The aims of our charity will include, but not be limited to,

a) Operating as an institution within the Higher Education sector in the United Kingdom but as an integral part of the Church of the Nazarene, the College shall serve the UK and global Nazarene community as well as the wider Christian community.
b) Providing the church's philosophical and theological framework which at all times is rooted in the biblical and doctrinal commitments to the Wesleyan tradition and accountable to the stated mission of the denomination.
c) Guiding all those who participate in its life by accepting, nurturing and expressing in service to the church and the world a consistent and coherent Christian understanding of social and individual behaviour.
d) Providing a curriculum quality of instruction and evidence of scholarly achievement that will prepare graduates at both undergraduate and postgraduate levels to function effectively in the various vocations of Christian discipleship and ministry.

Activities

The Officers of the College continue to work on the annual monitoring and evaluation of the current strategy. Full reports are given to the Governors on the progress being made towards the fulfilment of the agreed vision and direction of the institution.

The activities of the College continued to be significantly impacted by Covid-19, reflected throughout the report. The Governors were highly engaged in decision making ensuring the management of risk and development.

In this year:

The Governors of the College consider that the College's aims, objectives and activities as described herein demonstrate proof of public benefit in the advancement of religion and in the advancement of education. Within its core operations the College offers a non-discriminatory policy assuring the mission, vision, values and ethos of the College are upheld.

In addition, through the work of the ancillary services additional public benefit is served. These include, but are not limited to,

a) Providing access to the College's library facilities to external memberships
b) Providing access to the resources and library of *the Manchester Wesley Research Centre* which is housed within the College's facilities
c) Providing access to the resources and library of the *Manchester Centre for the Study of Christianity and Islam* which is housed within the College's facilities
d) Providing access to the resources and library of the Manchester based arm of the *Movement for Justice and Reconciliation.*
e) Providing access to the College's facilities for use by local organisations, other educational bodies, churches, public open days and through participation in local and national community events.
f) Assisting students as and when practicable and necessary through a policy of bursaries or hardship grant aid in order to meet their tuition and living costs.

In the period of Covid 19 to present, access to the property of the College continued to adhere to Government and Office for Student, National Health, Test and Trace guidance. Enhanced risk assessments were carried out regularly alongside a suite of mitigations ensuring the health of all. The College's public facing work moved increasingly to hybrid, with classes in person and available over zoom. This meant that our digital and online engagement in both day to day practice and in our developing vision for ongoing programming became more normalised and following Governors lead, the College worked through proposals to take to the University for validated approval for some aspects of our programmes to be offered online or in hybrid modes. We also worked hard to resume 'community' programming with face to face teaching, enhanced support for those impacted by Covid and ongoing emergence into widening the scope of the college.

Achievements and performance: The focus of our work

The key areas of focus of the College personnel and Governors continue to include the following, which reflects past, present and future actions:

a) Agreement and implementation of the Strategic objectives of the College centred upon key areas:
   - Identification of the Foundation on which the College is built
   - Institutional Identity
   - Academic Development that is research led and practice driven
   - Christ-like community formation

b) Areas of focus were reviewing and enhancing:
   - Partnership and Collaborative Development
   - Administrative Development
   - Finance and Fundraising
   - Faculty Development
   - Publicity and Recruitment

c) Continuing Course Delivery or our undergraduate programme – primarily in person.

d) On-going registration of the College with the UK Borders Agency as a Tier 4 sponsor for students has been maintained and our sponsorship is carefully monitored. This was reviewed in the year and continued.

e) Participation in the Teaching Excellence Framework and its revisions.

f) The college received an overall satisfaction in the National Student Survey for 2021-22, of 93.75%. We are reviewing the responses to those questions we received lower than 100% and are responding to them as we are able.

g) Key personnel appointed in both student support and administrative areas ensure the smooth running of academic administration and high level of professionalism.

h) Appointed Rev. Louise Kenyon to focus on pre-degree support and developments enabling widening access and participation.

i) Post-graduate degree support which ensured transition from Dr. Brower to Dr. Hammond and Dr. Lett in Research provision and oversite.

j) Access to learning through digital and off-site for those unable to attend classes in person was continued.

k) Continued investment in onsite campus-based IT in order to ensure our communication and digital services continue to be excellent.

l) Fundraising programmes to secure funding for the future, including Legacy giving, Library support and funds for Campus development continued to be a focus with Dr. Peter Rae and Mr. Steven Clarkson agreeing to develop this area.

m) The embedding of the Associate Dean ensured capacity to focus on the development of future programmes

n) We continued to permit some flexibility around working practices enabling WFH from time to time.

o) Accessing Government provision as enabled.
p) Promoting the College in all areas and recruiting students at both undergraduate and postgraduate levels.
q) Offering non-validated online in order to serve its constituents and develop its profile,
r) Attract and support students from non-traditional backgrounds focussing on progression.
s) Invested in research for developing online community in order to ensure we can meet our objectives in this area.
t) Determine the direction of travel for our youth, community and intergenerational programmes.
u) Run our first MA in Community Development and theology.

Academic Achievements and Performance

The College is a partner college of the University of Manchester and its awards, from the Diploma to the PhD, are validated through The University of Manchester. The validation of NTC through the University of Manchester continues as a positive relationship of mutual respect and is valued and nurtured by the College and esteemed highly by its students. The relationship gives strength to the ongoing strategic goal of the College to offer academic excellence across its programmes. This year the College offered a nationally profiled conference in Aging and Theology in partnership with the University. We have also continued to develop supervisors in relation to good practice in partnership.

The College's Degree in Youth Work and Community is a validated by the National Youth Agency as meeting the Joint Negotiating Committee professional standards for youth workers. Following significant review and approaching the time for revalidation the College agreed to revise the programme significantly and the revised programme (from 2022 September entry) will no longer carry NYA validation, but only University of Manchester validation. During the course of 2021-22, the College had approved a new Undergraduate pathway in Biblical Studies, and a new Postgraduate pathway in Community Development.

The College runs taught academic programmes at both undergraduate and postgraduate levels; it also supervises Research Degree programmes. Courses commence with a flexible one-year certificate course and continue through to the PhD programme. The range of courses now offered is as follows:

Undergraduate

Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry.
Bachelor of Arts Degree in Theology, Youth Work and Community.
Certificate, Diploma, Bachelor of Arts Degree and Honours of Arts Bachelor Degree in Practical Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology (Biblical Studies)

Note: the course specifications for the Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry/Theology, Youth Work and Community were rewritten and approved.

Postgraduate

Post Graduate Certificate, Diploma and Master of Arts Degree in Theology:
Post Graduate Certificate, Diploma and Master of Arts degree in Theology with streams in a range of areas all approved by the University.

Research degrees at both MPhil and the PhD level (including the Practice-based PhD) are individually pursued by students and supervised by the College, the current level of students on research programmes is 37, with several students satisfactorily completing their degrees in the past year.

The College subscribes to the Quality Assurance Agency (QAA), the OfS designated body for quality, to provide assurance that the College is meeting UK expectations for the academic standards of awards offered, and the quality, information and enhancement of learning opportunities provided.

We work within the Home Office Prevent Duty framework to recognise and reduce risks of radicalisation.

International Activity

A number of our faculty continued to be speakers and engaged in professional conferences throughout this year. The cohorts for international students were services through online engagement and the development of a pre-degree programme to ensure early support for student success. Partnerships with faculty from Trevecca Nazarene University and Boston University were developed for engagement in teaching and learning opportunities in 2022 and the college hosted several key partner groups over the summer of 2022.

Non-Academic/Student Support Achievements and Performance

The College offered online Mental Health First Aid courses, and these were very positive. Investment in key bursaries to support developments, hardship and enable students to access learning continued. We have also continued to work towards training and development in antiracist practice, partly in response to the Black Lives Matter movement.

The roof of the College was a matter for concern and we began a phased response to deal with urgent repairs. We received a £100,000 unsecured loan for part of the repair from the Eurasia Region of the Church of the Nazarene, repayable by 1 July 2023. In addition, the College have been offered matched funding up to a maximum of £50,000. These were in addition to donations through fundraising.

The College successfully completed a number of data capture pieces of work, including: Higher Education Funding Council (HEFCE), Higher education in Alternative Providers Early Statistic Survey (HEAPES), Destination of Leavers from Higher Education (DLHE), National Student Survey, PREVENT, UK Border agency sponsorship regulation, and the USA Veterans Affairs audit. The College has continued to manage its regulatory framework well.

As a result of the increasing regulation and compliance we established a committee, and the first year of its operation has been successfully completed. Matters emerging from it are considered by the relevant areas of the college. 'Compliance and reporting' to centralise our approach, review our policies and create a system of reporting in a newly systematised way. The increasing burden of regulation, changing regulations in a range of bodies, and the cross-over between finance, operations and academic reporting meant that we needed to enhance our structures and internal accountability.

The College completed various transitions in the finance office to ensure compliance and efficiency. Simona Stanfield took maternity leave. Mrs. Dana Gheorghe, continued to work in the finance office and completed several qualifications. Mr. Andrew Hollingworth, a consultant who was a finance manager with a great deal of experience in reviewing and auditing systems who had previously helped the college supported the finance office throughout the year as a Finance Controller. We appointed Mr. Musa Jibril as an additional support to the finance book-keeping and he finished his role in August 2022.

The Governors reviewed their own practice, including the Board Code of Practice Manual and the Constitution. A solicitor specialising in Charity Governance reviewed the Constitution and suggested some clarifications and changes. The Constitution is in the process of being amended in accordance with its provisions for Amendments. The impact of the review will be to clarify and sharpen some of the language.

Benefits to Society

We benefit wider society relate to heightening awareness of the role religion can play in advocating for good, bringing peace, reconciling across faith communities, and enabling people from faith backgrounds to develop their own understanding. With students from a range of backgrounds, we ensure also that our students, many employed in the third sector, charities and religious settings will impact wider society by enhanced understanding of the world and the way people think. Character formation, ethical principles, best practice for community development and ways of approaching the world that are respectful and thoughtful are also part of the intended outcomes of our work.

Globally our students take roles in leadership at a number of levels, from institutional leadership to engagement in government. At the grassroots they are people committed to seeing communities and individuals thrive.

Our undergraduate and postgraduate students are drawn from across the UK and beyond and range in age from 18- mid 70s.

The college has significant success in ensuring as many in underrepresented groups achieve access to education. Year on year we are investing in enhancing and supporting students from low participation areas and communities to thrive.

Our provision is for a wide range of people but is also attracting mature students with a direct interest in developing themselves further as professionals in a range of industries.

We further engage with a range of people who have disabilities and the College has invested in provision for these students. The high level of students with disabilities is viewed as positive by the college, as we fulfil our aim of being an accessible and flexible place of learning. We believe that our approach to excellent support, wrap around care, and small class sizes mean that the College is a safe place for people with additional needs to find their way to success.

This year the College offered a free ESOL course for immigrants from Hong Kong. Sponsored by the 'Bridging Worlds' centre some 30 participants went through the programme and its success has led to a further round in the 22-23 academic year.

Use of volunteers

The College is grateful to and indebted to, those members of our denomination who, in response to the needs identified, are able to offer themselves as volunteers to assist in non–academic areas of the College life. These include maintenance work, housekeeping assistance, general clerical work, cooking, library support and a range of other roles.

During their period of volunteering, all volunteers operate to the guidance of the College's policies and procedures and are covered under the required Health and Safety regulations.

Grant making policy

The College takes the view that it will do whatever is in its power to assist students, particularly those from the majority world, in meeting the cost of their tuition and living expenses. Accordingly, several scholarships have been established through donations to the College that qualifying students can benefit from. The scholarships are restricted and treated as such in the accounts.

The college gives a range of grant support and scholarships with the clear aim to caring for those who may not access education. This also enables students from non-traditional backgrounds to make it. We have solicited specific funds for the Global South and for people from black and other ethnic backgrounds to access and develop in education. We see this as a key part of our orientation around caring for those on the margins.

We have agreed our access and participation plan with the Government.

Financial review

The college's tuition fees are reviewed on an annual basis. Our aim in setting fees is always to be commensurate with the sector and achieving a breakeven operating budget.

The college's finances were impacted significantly by Covid-19 and we continue to work through the legacy effect of the pandemic. Salary pay cuts made in 2019-20 were redressed and an uplift for all members of the team was given in the new financial year on the basis of our financial position.

Following careful management, the college's year end results were positive. We attribute this, however, to a legacy received, the Government job retention support scheme and careful management and cuts to our operating budget.

We began to work through year one of the three-year grant 'Science for seminaries.' This included funds towards delivery of courses that demonstrate theology and science as a conversation partner. Our Academic Deans, Dr. Peter Rae and Dr. Jacob Lett are overseeing this, with the faculty team supporting the delivery of materials alongside local specialists.

We received a legacy from Mrs. Eunice Longworth, a long time supporter and friend of the college. Her legacy was gifted for General, Scholarship and was an unexpected gift. A further third tranche was given to the MWRC, however the solicitors alerted us to a legal dispute relating to it and asked us to retain the monies. We are in conversation about releasing those funds to the MWRC.

The projections for the coming year, which will end 30th June 2023 have been based on the previous year's income and expenditure (year ended 30th June 2022).

We anticipate:
a) a continued below-target student uptake of HE places at the College at Undergraduate level
b) a healthy intake at Masters' level
c) a stable intake at PhD level
c) robust rental of the facilities
d) accommodation at least 90% of capacity
e) strategic developments and investment in order to move the college forward
f) a significant increase in fees from the University of Manchester for programmes, pathways and per student

The Trustees and the Senior Leaders of the College have kept the finances under constant and regular review.

The restricted funds held by the College for the purposes of Scholarships and Principal's Project have been drawn upon in accordance with policy and the intended purpose of the donations, and these transactions are reflected in the attached financial statements.

Audit Review

The Audit from the year 2021-22 was reviewed by the Governors and responded to.

Alexander Bursk, appointed in 2015, help us continue to ensure we are robust in our financial management and practices.

We continue to have an outside observer who is a professional auditor, though serving in a voluntary capacity, he offers Governor scrutiny of our practice in meetings. This role is ongoing and will support the development of Governors into 2022-23.

Investment Policy

In compliance with the Charity Commissioners' guidance "Charities and investment matters: a guide for trustees" (CC14 last updated on 1 October 2011) the College Governors have implemented an Investment Policy. The key issues addressed are:

a) the need for enough resources for the charity to carry out its present and future activities effectively
b) the level of acceptable risk and how to manage it, and
c) the charity's stance on ethical investment

This policy is reviewed every two years by the finance sub-committee of Governors, however, any investment decision needing the approval of the finance sub-committee will in turn be referred to the full meeting of Trustees.

Reserves policy

It is the intention of the College Governors to continue a programme of securing a reserve of funds to provide a protection against any temporary downturn in student numbers. The level of reserves to be set aside for this purpose will be in accordance with the Reserves Policy and Governors will determine the amount to be so set aside to reach this target on an annual basis where possible.

Amount of reserves held: the unrestricted and restricted funds held in cash at bank and in hand amount to £2,996,080 of which £2,577,295 were unrestricted and £418,785 were restricted.

The Charity continues to operate as a going concern. The basis of this is student recruitment, the development of additional funding streams for students and the increase in regular donations. Our on-going validation with a world class university also makes us attractive for students and our impressive graduating class in research degree programmes enhances our reputation year on year. Additionally, the property portfolio has a value well in excess of the Balance Sheet valuation and this, should it be required, could be realised to more than cover any unforeseen liabilities. We are actively working towards developing our funds.

Principal funding sources

The principal source of funding continues to be the income generated through tuition fees for students plus meeting their accommodation needs through Halls of Residence. A further valued source of funding continues to come from both the General Church of the Nazarene through an operations grant and also from churches in the UK who contribute through their annual budgets to the work of the College. Neither of the latter two sources are either restricted or designated funds.

Administrative Review

This year the Operations Director has reviewed processes and policies. We are undertaking a systematic approach to cross-checking all policies and ensuring they are all streamlined for use and access.

Over the year Dr. Siobhán Jolley became Recruitment and Marketing Director and oversaw the hiring George Herrera as our recruiter. After a full review several changes were made. In June she resigned effective September 2022, and we appointed Dr. Sam Rogers. He has reviewed all marketing spending, revised the budget expenditure and reconfigured the team, and is working through a revision of the Website and various other ways we can develop in the area of Communications and Recruitment.

Additionally, we hired in the area of Placement management and developed the team with a slightly different structure, ensuring comprehensive support for all placement students on our programmes.

We also actively participate in government consultations on changes in the higher education authority to keep abreast of any external risk factors.

Core team members have managed and reported within the agreed terms of the Prevent agenda.

Plans for future periods

The College plans for the current period relate to ongoing management of the previously agreed strategic plan. This covers primary areas identified in the implementation and review of the earlier strategic review. These are identified as a) Academic excellence and research led learning, b) Christ-like community focussed.

Within these areas the college has a clear focus on:

Student Recruitment

- we will widen student recruitment including reaching new markets
- ensure that the education experience of current students remains positive
- offer continued improvements to our courses
- develop pipelines in pre-degree marketing

Programmes of Study

- we will widen our programmes of study including in the Asian Christian Studies and Community Development areas
- we will seek approval for online offerings at MA and BA level
- we will review our youth work programmes
- we will revise our programmes following a rolling review

Partnerships

- we will continue to seek partnerships with compatible entities in order to develop our profile and reach
- Ensure accessibility to a wide range of partners
- Deliver the Science for Seminaries to fulfilment our grant
- We will work with Asbury Seminary, Kia and Newbigin School of Urban Leadership to develop areas of education that serve the wider needs

Geographical Reach

- The college will continue to develop our relationships with the Global South for faculty development
- The college will continue to strengthen relationships with partners in North America
- We will continue to recruit from beyond the UK to all levels of programme
- We will serve diaspora communities within the UK

National and International Profile

- We will continue to develop our international and national profile in order to develop a pipeline of students
- We will invest in development of our alumni networks

Finances

- In order to be sustainable we need to have growth. Having returned our staff to their 2019 salary levels we continue to review how we can enhance pay.
- In the longer term, we need to review our financial modelling and fundraising/partnerships
- We will continue to work towards a healthy financial culture including careful projections and budgeting and development of security for medium and long-term planning
- We note that we have very few significant trust donors and we will revisit any opportunities in this area
- We applied for, and received, funding from the 'science for seminaries' grant fund, and will spend this in accordance with the requests
- We will actively explore other research grants

Campus

- The primary focus in our campus is the renewal of our roof
- Planned maintenance and refurbishment of student accommodation
- Continued letting as space and restrictions permit
- This year we are consulting widely with students and stakeholders to create a long term vision plan for campus use taking us to 2030
- We have a cap ex plan in place for regular investment to emerge
- The goal of being Carbon Neutral is underway with staged investment in short, medium and long term planning

Governance

- We are in the process of reviewing our Constitution and our Governance practices
- Replenishing and recruiting Governors for the coming cycle
- Ensure ongoing support for our Governors is offered by the College team
- Undertake induction and training for all Governors, new and returning
- Review the strategic direction and reporting mechanisms received by Governors to ensure that they are clear and satisfactory
- Implementing a plan for a full-strength board of trustees with a matrix of skills and backgrounds in order to provide effective Governance and leadership

In this year we have also agreed that the following support areas - i) the cessation of key missional partnerships, ii) The implementation and development of additional key partnerships iii) ongoing moves towards financial, human resource and operational sustainability and iv) enhancing our communication (including publicity, marketing and recruitment). We will consider how we invest in them in order to achieve our strategic aims in each of these areas.

Following a review of our projected finances and in light of areas identified as key for future development (recruitment, online/digital and succession) the Governors agreed that we needed to invest in key areas for development:

- Commissioning a new website
- Key personnel for supporting the development and delivery
- Campus spaces for student satisfaction

The College continued drawing on our Vision Document 2030. It is comprehensive and forward-thinking document to enable the College to continue to meet its aims and objectives. In response to the current landscape of theological education it is critical that the College develops, enhancing operations in order to grow to enable a sustainable future.

Academically the College is increasing recruitment into Masters level. It is developing its capacity for flexible and effective learning in a variety of on-line and off-site ways. The College is offering opportunities for intercultural study for students from overseas. We continue to ensure we offer excellence and cutting-edge theological thinking. The College is also working to develop and enhance our core faculty team. We are also investing in student learning support provision and chaplaincy/counselling services.

This includes:

- The appointment of a .6 learning support officer
- The designation of time developing study abroad by one of our Academic Office team (2 hours per week)
- The appointment of a .2 Coordinator for digital community and programme development

The College continues to invest in a research and development project to develop a plan for pre-degree-level learning and additional programmes.

The College is developing its physical plant in relation to the academic developments which are our core business

The **Academic Board** continues to explore:

a) creative and alternative modes of delivery.
b) partnerships with other Wesleyan institutions of Higher Education.
c) course development relating to the needs of academic programming, training for ministry and theological benchmarks in the 21st Century.
d) the implementation of strategic planning across all levels of academic life in the College.
e) Active promotion of the College in all areas and the recruitment of students at both undergraduate and postgraduate levels from both within and outside the European Economic Area.

The **Administrative Council** continues to explore:

a) seamless integration of all administrative functions.
b) all departments of the College continuing to operate and improve in their efficiency.
c) streamlining processes and procedures.
d) financial sustainability.
e) further development of publicity and recruitment in targeted ways.
f) compliance with the Prevent Government agenda.
g) training and enhancement of our staff team.

Structure, governance and management

Governing document

The College is governed under a DECLARATION OF TRUST deed dated 25th June 1970 as amended 2nd February 1990 and again on the 1st February 1991 and the CONSTITUTION as approved by two thirds of the members present and voting at both the North and South District Assemblies of the Church of the Nazarene and as amended from time to time in accordance with the Constitution.

Recruitment and appointment of Governors

The Governors of the College are appointed by election at the Annual District Assemblies of the North and the South Districts of the Church of the Nazarene in the UK. A nomination committee currently proposes names of members of the denomination to the delegates to vote upon, there being an equal number of Governors appointed from each District. In addition to those appointed in this way, the two elected District Superintendents are appointed by virtue of their office as ex officio members of the Board of Governors, and, under the Constitution, up to four additional Governors can be appointed from outwith the denomination and four members-at-large are appointed by the British Isles National Board of the Church of the Nazarene.

The appointment and code of operation of members of the Board of Governors is set out in full in the Constitution of the College.

The Governors of the College are elected and appointed as set out in the Constitution. Within this document the voting Governors are referred to as the Trustees and are unambiguously and collectively accountable for the institutional activities and take all final decisions on matters of fundamental concern for the college. In order to ensure limited liability, the college has a practice of ensuring business liability cover is included in our insurance. In the past year, however, and stretching into this year we are reviewing our Constitution and, when it has been approved by our Governors, we will send any amendments to the Charity Commission for approval.

The College's approach to governance applies the Public Interest Governance principles of the Office for Students. It also follows the good practice for the Higher Education sector identified in "the Higher Education Code of Governance" produced by the Council of University Chairs.

Induction and training of trustees

All Governors are made aware of the ethos and mission of the College and participate in regular training programmes to increase their understanding of the role and also the issues affecting the work of the College. Governors are encouraged to access the Charity Commission website on a regular basis to download any and all relevant material and resources that will enhance their ability to fulfil their duties.

There is an Induction programme for newly elected Governors. The College invests in 'Governance' Magazine for all governors and has a Board Code of Practice for all who serve in this capacity. Each Governor has access to a dedicated and password protected Governance Moodle site (virtual learning platform).

Organisational structure

The organisational structure of the College is constantly developing as it seeks to meet and fulfil its stated goals and aspirations. The principal point of governance in all matters continues to be the Board of Governors to which all senior staff report, the Principal, Vice Principal, Dean, Director of Development and HR.

The **Core Leadership Team** (CLT) of the college, previously known as the Senior Leadership Team, is the key management group, led by the Principal, for the day-to-day operations of the College. CLT members attend board meetings during the year for the majority of items discussed. The process to appoint and set pay for CLT members are determined in accordance with the constitution. The Board of Governors have a remuneration

committee which reviews pay, structures, professional development financing and ensures that the College is considering pay levels as appropriate to the experience, responsibility and market of the sector. There is no automatic entitlement to annual salary increases. The philosophy of the College emphasises paying its least well-paid staff at least the living wage. The structure is also relatively flat, with the Core Leadership Team paid well, but within keeping with the Higher Education and the church ministerial pay structures they relate to.

The Board of Governors receives and monitors Risk Reports regularly and the Core team manages risk on a monthly basis.

In addition to the Core team and its operations, there are two significant Boards through which all policies and proposals must pass in order to be presented to the Board of Governors for the Trustees vote, these are the Administrative Council and the Academic Board. The Academic Board approves all matters of an academic nature including new programmes, and the Administrative Council receive and approve all matters of a financial and administrative nature, in particular the approval of any proposed change to an existing policy or a new policy.

Below these Boards, a range of operational and reporting Boards meet.

A further committee which implements operational decisions and reviews the cash flow and budgets for the College is the Finance Meeting which is minuted and minutes sent to the Administrative Council.

In addition, as with all such institutions, a range of other committees meet on a regular basis to deal with the day-to-day operations of the College and which make recommendations to or seek approval from the other bodies mentioned above. These committees include, but are not limited to Faculty, Publicity and Recruitment and Library, etc.

In the coming year the College will review its internal structures to ensure collaboration, culture and efficiency are baked into our systems. We will revisit how we create and store documents to ensure they are 'living' and in use.

We are also undertaking a review of pathways of recruitment, communication and their relationship to our admissions processes to ensure that our recruitment conversation rate is high from first encounter to final admission as a student.

Representation at Board meetings:

The Principal, CLT and student representatives are part of Board of Governor meetings, providing necessary perspectives to support the Board to govern effectively. The Principal, who attends meetings *ex officio*, and any additional paid member of the team invited into meetings, have full rights of attendance and participation at meetings, but in line with the College's constitution as a charity, as employees and beneficiaries of the Charity, they do not have voting rights. Student representatives have no less right of participation and are not in any way disadvantaged.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and purposes.

Risk management

The risk management strategy of the College is reviewed and a risk assessment completed by the Senior Leadership Team and reviewed by the Governors annually in their November meetings. There is a continual process of formulation and development in response to the changing circumstances that could impact upon the work of the College and its fulfilment of its ethos and mission.

The Board of Governors, in considering this important task, take direction from the on-going discussions of the College personnel, both internally and through their meetings with external advisers, and seeks to find ways to mitigate the impact of such risks through proactive planning and transferring of identified risks on an on-going basis.

Related parties

Any and all related parties are clearly identified in the notes to the Accounts. At each meeting of the Governors there is a conflict of interest form to clearly identify any matters that arise and a register kept.

In the course of this year, due to the appointment of Mr. Andrew Hollingworth as a financial consultant he ceased being a Governor. Mr. Hollingworth did not participate in any Governance activities since the commencement of his contract in August 2021, prior to this he served on the Operations and Personnel Committee of the Governing body.

The elections of trustees from the British Isles South and North District and the ex officio appointments of the District Superintendents mean that from time to time there are transactions between those entities and Nazarene Theological College. This is disclosed in note 31.

Statement of Board of Governors' responsibilities

The Board of Governors is responsible for preparing the Board of Governors' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law in England & Wales requires the Board of Governors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period. In preparing the accounts the Board of Governors 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;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the Financial Statements comply with the Charities Act 2011 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to the auditor
To the best of the knowledge and belief of each of the individuals, who are the Trustees, at the time the report is approved:

- So far as each trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- Each trustee has taken all the steps that ought to have been taken as a trustee in order to become aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Voting Members of the Board of Governors, who are trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

Advisors to the Board who served during the year and up to the date of this report are set out on page 2.

Auditors
Alexander Bursk Limited were reappointed.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS102) and the *Charities Act 2011*.

Approved by the Board of Governors and signed on its behalf by:

..... Mr. Ian Burleigh

6th December, 2022

Nazarene Theological College

Independent Auditor's Report to the Members of Nazarene Theological College

Year ended 30 June 2022

Opinion

We have audited the financial statements of Nazarene Theological College (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, statement of changes in reserves, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- the requirements of the OfS's accounts direction have been met.

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.

Independent Auditor's Report to the Members of Nazarene Theological College
(continued)

Year ended 30 June 2022

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The objectives of our audit in respect to fraud are to identify and assess the risks of material misstatement of the financial statements due to fraud to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the college and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework FRS107, the Charity SORP, the Charity Act 2011 (2).

Other significant laws or regulations are those relating to occupational health and safety and data protection.

We understood how the college/charity is complying with these frameworks by making enquires of management and those responsible for legal and compliance procedures. We corroborated our enquires with our review of board minutes and any correspondence received from regulatory bodies.

We assessed the susceptibility of the Charities financial statements to material misstatement including how fraud might occur by making enquires of management to where they considered there was susceptibility to fraud, there knowledge of actual, suspected and alleged fraud.

The risk of fraud and non-compliance with laws and regulation and fraud and the risk of fraud through management bias and override of controls was discussed within the audit team and tests were planned and performed to address these risks.

To address these risks we reviewed financial statement disclosures and tested to supporting documentation. We carried out analytical review procedures to highlight unexpected variances and relationships - any of which were investigated.

The accounts were reviewed to highlight large unusual transactions that would be investigated.

Manual journals and journals pre and post year end were reviewed. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud an error.

There are inherent limitations in our audit procedures described above and an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed the audit in accordance with auditing standards.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

B Fine FCA (Senior Statutory Auditor)

For and on behalf of
Alexander Bursk Limited
Accountants & statutory auditor

Parkgates
Bury New Road
Prestwich
Manchester
Lancashire
M25 0JW

6th December 2022

Nazarene Theological College

Statement of Financial Activities

Year ended 30 June 2022

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments					
Donations and legacies	**4**	99,911	178,226	**278,137**	293,250
Charitable activities	**5**	1,013,358	–	**1,013,358**	1,024,248
Investment income	**7**	2,788	46	**2,834**	3,093
Other income	**8**	205,527	–	**205,527**	195,024
Total income		1,321,584	178,272	**1,499,856**	1,515,615
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	**9**	2,686	–	**2,686**	69
Expenditure on charitable activities	**10,11**	1,317,468	124,283	**1,441,751**	1,340,527
Total expenditure		1,320,154	124,283	**1,444,437**	1,340,596
Net gains on investments	**13**	49,713	–	**49,713**	1,079
Net income and net movement in funds		51,143	53,989	**105,132**	176,098
Reconciliation of funds					
Total funds brought forward		2,526,152	364,796	**2,890,948**	2,714,850
Total funds carried forward		2,577,295	418,785	**2,996,080**	2,890,948

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 27 to 41 form part of these financial statements.

Nazarene Theological College

Statement of changes in Reserves

Year ended 30 June 2022

	Unrestricted Funds	Restricted Funds	**Total Funds**
	£	£	£
Balance at 1 July 2020	2,367,791	347,059	**2,714,850**
Net Income for the year ended 30 June 2021	159,557	16,541	**176,098**
Other comprehensive income / (expense)	–	–	–
Total comprehensive income / (expense) for the year ended 30 July 2021	159,557	16,541	**176,098**
Transfer	(1,196)	1,196	–
Balance at 30 June 2021	2,526,152	364,796	**2,890,948**
Net Income for year ended 30 June 2022	51,143	53,989	**105,132**
Other comprehensive income / (expense)	–	–	–
Total comprehensive income / (expense) for the year ended 30 June 2022	51,143	53,989	**105,132**
Transfer	–	–	–
Balance at 30 June 2022	2,577,295	418,785	**2,996,080**

The notes on pages 27 to 41 form part of these financial statements.

Nazarene Theological College

Statement of Financial Position

30 June 2022

	Note	2022 £	2022 £	2021 £
Fixed assets				
Tangible fixed assets	19		1,925,806	1,953,281
Investments	20		161,043	111,330
			2,086,849	2,064,611
Current assets				
Debtors	21	206,422		174,260
Cash at bank and in hand		1,144,214		1,035,277
		1,350,636		1,209,537
Creditors: amounts falling due within one year	22	282,500		102,894
Net current assets			1,068,136	1,106,643
Total assets less current liabilities			3,154,985	3,171,254
Creditors: amounts falling due after more than one year	23		158,905	280,306
Net assets			2,996,080	2,890,948
Funds of the charity				
Restricted funds			418,785	364,796
Unrestricted funds			2,577,295	2,526,152
Total charity funds	26		2,996,080	2,890,948

These financial statements were approved by the board of trustees and authorised for issue on 6th December 2022, and are signed on behalf of the board by:

Mr I Burleigh
Trustee

The notes on pages 27 to 41 form part of these financial statements.

Nazarene Theological College

Statement of Cash Flows

Year ended 30 June 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	**105,132**	176,098
Adjustments for:		
Depreciation of tangible fixed assets	**27,475**	28,274
Net gains on investments	**(49,713)**	(1,079)
Dividends, interest and rents from investments	**(2,640)**	(2,640)
Other interest receivable and similar income	**(194)**	(453)
Interest payable and similar charges	**6,471**	8,675
Accrued income	**(36,994)**	(5,471)
Changes in:		
Trade and other debtors	**(242)**	28,341
Trade and other creditors	**79,538**	103,070
Cash generated from operations	**128,833**	334,815
Interest paid	**(6,471)**	(8,675)
Interest received	**194**	453
Net cash from operating activities	**122,556**	326,593
Cash flows from investing activities		
Dividends, interest and rents from investments	**2,640**	2,640
Net cash from investing activities	**2,640**	2,640
Cash flows from financing activities		
Proceeds from borrowings	**(16,259)**	(18,990)
Net cash used in financing activities	**(16,259)**	(18,990)
Net increase in cash and cash equivalents	**108,937**	310,243
Cash and cash equivalents at beginning of year	**1,035,277**	725,034
Cash and cash equivalents at end of year	**1,144,214**	1,035,277

The notes on pages 27 to 41 form part of these financial statements.

Nazarene Theological College

Notes to the Financial Statements

Year ended 30 June 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Dene Road, Didsbury, Manchester, M20 2GU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain investments measured at market value. The charity is a public benefit entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. **Accounting policies** *(continued)*

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants are recognised when the charity becomes unconditionally entitled to the grant, unless the grant is related to performance and specific deliverables, when it is accounted for as the charity earns the right to consideration by its performance.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from fees, rents and trading activity are included in the period for which they are receivable or when earned.

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is included as part of the expenditure to which it relates:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct costs and support costs relating to such activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity.

Support costs include central functions and have been allocated entirely to charitable activities, which reflect the use of resources.

Bursaries payable

Bursaries payable are recognised in the year when an award has been approved by the trustees through the budget setting process and communicated to the recipient during the year by the finance team. Where such bursaries have not yet been paid at the end of the year, they are included within current liabilities.

Operating lease agreements

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged under the Statement of Financial Activities on a straight line basis over the lease term.

Tangible assets

Fixed assets (excluding depreciation) are stated at cost less accumulated depreciation. Individual items costing less than £2,000 are not capitalised.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	1% straight line
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	33% reducing balance

Investments

Listed investments are measured at fair value with changes in fair value or gains or losses resulting from disposals being recognised within the statement of financial activities.

3. Accounting policies *(continued)*

Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are revalued to their fair value at each reporting date and any changes in fair value are recognised in profit or loss. Prior to the introduction of FRS102, they were revalued at intervals of several years only.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

The charity contributes to defined contribution pension schemes on behalf of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees, and it has no other liabilities to these schemes.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Donations			
Donations	99,911	178,226	**278,137**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	210,097	83,153	293,250

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Fees	904,601	**904,601**	943,373	943,373
Bookshop sales	300	**300**	422	422
Education services grants (KC)	50,100	**50,100**	51,209	51,209
District budgets	58,357	**58,357**	29,244	29,244
	1,013,358	**1,013,358**	1,024,248	1,024,248

6. Disclosure on grant and fee income

	2022	2021
	£	£
Grant income from OFS	**18,216**	20,156
Fee income from taught awards	**456,037**	504,324
Grant Income from other Bodies	**–**	–
Fee income from research awards	**397,392**	404,361
Fee income from non-qualifying courses	**32,956**	34,688
Total grant and fee income	**904,601**	963,529

7. Investment income

	Unrestricted Funds	Restricted Funds	**Total Funds 2022**
	£	£	**£**
Income from investment properties	2,640	–	**2,640**
Bank interest receivable	21	46	**67**
Other investment income	127	–	**127**
	2,788	46	**2,834**

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Income from investment properties	2,640	–	2,640
Bank interest receivable	80	351	431
Other investment income	22	–	22
	2,742	351	3,093

8. Other income

	Unrestricted Funds	**Total Funds 2022**	Unrestricted Funds	Total Funds 2021
	£	**£**	£	£
Lettings and commissions	185,406	**185,406**	137,427	137,427
Employer's allowance and JRS income	12,692	**12,692**	57,597	57,597
Sundry income	7,429	**7,429**	–	–
	205,527	**205,527**	195,024	195,024

9. Costs of raising donations and legacies

	Unrestricted Funds	**Total Funds 2022**	Unrestricted Funds	Total Funds 2021
	£	**£**	£	£
Costs of raising donations and legacies - Donations	2,686	**2,686**	69	69

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Facilities	198,039	50,764	**248,803**
Education	682,957	72,722	**755,679**
Support costs	436,472	797	**437,269**
	1,317,468	124,283	**1,441,751**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Facilities	178,922	6,500	185,422
Education	733,606	50,086	783,692
Support costs	361,036	10,377	371,413
	1,273,564	66,963	1,340,527

In accordance with the Access and Participation Plan, this year the College has spent £18,235, (2021 £23,100) on Access Investment, £2,666 (2021 £4,500) on Financial Support bursaries for students from underrepresented groups, £46,320 (2021 £12,000) of Fee waivers and £3,375 (2021,£2,000) on hardship funds. In addition, £2000 (2021 £2,000) has been spent on Research and Evaluation Investment for new courses.

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2022 £**	Total fund 2021 £
Facilities	248,803	380,508	**629,311**	547,019
Education	755,679	39,179	**794,858**	783,691
Governance costs	–	17,582	**17,582**	9,817
	1,004,482	437,269	**1,441,751**	1,340,527

12. Analysis of support costs

	Analysis of support costs Facilities £	Analysis of support costs Education £	**Total 2022 £**	Total 2021 £
Staff costs	189,216	–	**189,216**	198,483
General office	68,409	–	**68,409**	64,886
Finance costs	11,385	–	**11,385**	13,087
Governance costs	17,582	–	**17,582**	9,819
Travel and accommodation	15,708	–	**15,708**	5,846
Publicity	15,306	–	**15,306**	38,089
Events	1,725	–	**1,725**	309
Depreciation	27,475	–	**27,475**	28,274
Professional costs and sundries	51,284	39,179	**90,463**	12,621
	398,090	39,179	**437,269**	371,414

13. Net gains on investments

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on investment property	50,333	**50,333**	–	–
Gains/(losses) on listed investments	(620)	**(620)**	–	–
Gains/(losses) on other investment assets	–	**–**	1,079	1,079
	49,713	**49,713**	1,079	1,079

14. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	**27,475**	28,274
Foreign exchange differences	**–**	291

Also included within expenditure are bursaries and scholarships of £84,578 (2021: £91,945), of which £72,722 (2021: £50,085) was paid from restricted funds, and operating lease payments of £4,834 (2021: £11,245).

15. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	**6,960**	6,000
Fees payable to the charity's auditor and its associates for other services:		
Audit-related assurance services	**2,040**	3,000
Taxation advisory services	**–**	240
	2,040	3,240

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	**634,958**	658,123
Social security costs	**44,828**	44,666
Employer contributions to pension plans	**17,577**	18,039
	697,363	720,828

The average head count of employees during the year was 25 (2021: 24). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Academic	**10**	9
Student support	**3**	3
Administration	**6**	6
Chaplaincy	**1**	1
Housekeeping	**1**	1
Library	**1**	1
Manchester Wesley Research Centre	**1**	1
Maintenance	**1**	1
Publicity and recruitment	**1**	1
	25	24

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

	2022	2021
	£	£
Salary of Principal	**41,445**	39,409
Pension of Principal	**1,243**	1,182
Other taxable benefits	**–**	–
	42,688	40,591

This remuneration package is in line with others in the School of Theology sector and is in line with value and performance delivered. The performance is reviewed annually by the Board of Govenors and the Remuneration is set by the Board of Governors, having due consideration to performance and sector wide factors.

i)The head of the providers' basic salary is 1.8 (2021,1.7) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff

ii) The head of the providers' total remuneration is 1.3 (2021,1.3) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

17. Trustee remuneration and expenses

Mr A Graystone, the former chair, received remuneration of £nil (2021: £825), which was authorised as it was in his capacity as a visiting lecturer.

Mr A Hollingworth, who was a trustee for part of the 2021 year, received £10,462 (2021: £150), which was authorised as it was in his capacity as a financial consultant.

Four trustees were reimbursed a total amount of £388 to meet their expenses.

18. Transfers between funds

£nil was transferred from the general fund to the scholarship fund during the year.

19. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	**Total £**
Cost				
At 1 July 2021 and 30 June 2022	2,294,885	192,701	28,827	**2,516,413**
Depreciation				
At 1 July 2021	371,778	162,527	28,827	**563,132**
Charge for the year	22,949	4,526	–	**27,475**
At 30 June 2022	394,727	167,053	28,827	**590,607**
Carrying amount				
At 30 June 2022	1,900,158	25,648	–	**1,925,806**
At 30 June 2021	1,923,107	30,174	–	1,953,281

The Charity has not revalued land and buildings which are stated at cost. The Trustees are confident that the current market value of the land and buildings exceeds the cost.

20. Investments

	Listed investments £	Investment properties £	**Total £**
Cost or valuation			
At 1 July 2021	3,330	108,000	**111,330**
Additions	–	–	**–**
Fair value movements	(620)	50,333	**49,713**
At 30 June 2022	2,710	158,333	**161,043**
Carrying amount			
At 30 June 2022	2,710	158,333	**161,043**
At 30 June 2021	3,330	108,000	111,330

All investments shown above are held at valuation.

Investment properties

The investment property was revalued on 24 June 2022 by Richard N D Smth BSC(Hons), MRICS on behalf of Fifield Glyn Chartered Surveyors.

Financial assets held at fair value

Investments in listed shares are stated at their market value at the balance sheet date.

21. Debtors

	2022 £	2021 £
Trade debtors	**161,102**	125,980
Prepayments and accrued income	**45,320**	48,280
	206,422	174,260

22. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	**19,309**	14,167
Trade creditors	**56,493**	27,958
Accruals and deferred income	**91,044**	44,919
Social security and other taxes	**9,620**	–
Income received in advance	**–**	14,028
Loan	**100,000**	–
Other creditors	**6,034**	1,822
	282,500	102,894

23. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	**158,905**	180,306
Other creditors	**–**	100,000
	158,905	280,306

The Bank loans of £178,214 (2021 £194,473) are secured by a first legal charge over the charity's property at Dene House, Didsbury, which is included in the accounts at net book value of £1,925,806.

Included within creditors: amounts falling due after more than one year is an amount of £81,671 (2021: £114,307) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Mortgage payments falling due after more than five years are due to be paid in instalments of £1,893 per month, including interest at the rate applicable at the time.

24. Deferred income

	2022	2021
	£	£
Amount deferred in year	**51,199**	–

£28,399 of deferred income relates to money received from a will where the name of the beneficiary is not exact enough to have certainty over the income. £22,800 relates to income from a two year funding of a project where the obligations for the second year warrant deferment until the obligations are fulfilled by the college.

25. Pensions and other post retirement benefits

The amount recognised in expenditure as an expense in relation to defined contribution plans was £17,577 (2021: £18,039).

Pension costs are attributed to the activities in which those employees for whom they relate are engaged.

26. Analysis of charitable funds

Unrestricted funds

	At 1 Jul 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 30 Jun 2022 £**
Unrestricted funds	2,526,152	1,321,584	(1,320,154)	–	49,713	**2,577,295**

	At 1 Jul 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Jun 2021 £
Unrestricted funds	2,367,791	1,432,111	(1,273,633)	(1,196)	1,079	2,526,152

Restricted funds

	At 1 Jul 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 30 Jun 2022 £**
Student Scholarship Fund	185,937	100,464	(62,722)	–	–	**223,679**
Development Fund	145,532	40,608	(44,663)	–	–	**141,477**
Scottish School of Christian Mission	33,327	–	(10,000)	–	–	**23,327**
Science for seminaries	–	37,200	(6,898)	–	–	**30,302**
	364,796	178,272	(124,283)	–	–	**418,785**

	At 1 Jul 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Jun 2021 £
Student Scholarship Fund	178,747	46,080	(40,086)	1,196	–	185,937
Development Fund	127,942	34,467	(16,877)	–	–	145,532
Scottish School of Christian Mission	40,370	2,957	(10,000)	–	–	33,327
Science for seminaries	–	–	–	–	–	–
	347,059	83,504	(66,963)	1,196	–	364,796

26. Analysis of charitable funds *(continued)*

Restricted funds represent monies to be used for the following specific purposes:

The Student Scholarship Fund is made up of individual donations with specific instructions how the money should be used, according to the wishes of the individual donors.

The Development Fund represents donations made to the annual Principal's Project and expenditure relating thereto.

The Scottish School of Christian Mission Fund represents monies received from that institution when its work was incorporated into that of the Nazarene Theological College, to be used for student bursaries only.

Science for Seminaries fund relates to specific income received to by spent on the Science for Seminaries research and teaching project.

27. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Tangible fixed assets	1,850,424	75,382	**1,925,806**
Investments	161,043	–	**161,043**
Current assets	884,433	466,203	**1,350,636**
Creditors less than 1 year	(159,700)	(122,800)	**(282,500)**
Creditors greater than 1 year	(158,905)	–	**(158,905)**
Net assets	2,577,295	418,785	**2,996,080**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,877,120	76,161	1,953,281
Investments	111,330	–	111,330
Current assets	896,795	312,742	1,209,537
Creditors less than 1 year	(78,787)	(24,107)	(102,894)
Creditors greater than 1 year	(280,306)	–	(280,306)
Net assets	2,526,152	364,796	2,890,948

28. Analysis of changes in net debt

	At 1 Jul 2021 £	Cash flows £	**At 30 Jun 2022 £**
Cash at bank and in hand	1,035,277	108,937	**1,144,214**
Debt due within one year	(14,167)	(5,142)	**(19,309)**
Debt due after one year	(180,306)	21,401	**(158,905)**
	840,804	125,196	**966,000**

29. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	**5,931**	2,056
Later than 1 year and not later than 5 years	**9,723**	19,446
	15,654	21,502

30. Other financial commitments

It is intended that roof repairs expecting to cost in the region of £51,000 will be carried out during the year ended 30 June 2023. Initial work began on this in July 2021, but no formal contract has been entered into.

31. Related parties

Unrestricted donations of £1,510 (2021: £5,000) were received from trustees during the year. Income of £31,400 (2021: £9,608) was received from the Church of the Nazarene British Isles Southern District, of which Reverend C McCann is also a trustee. Income of £26,957 (2021: £16,079) was received from the Church of the Nazarene British Isles Northern District, of which Revd R Turner is also a trustee.

32. Resources expended

	Donation	Facilities	Education	2022	2021
	£	£	£	£	£
Staff costs	-	**39,051**	**469,096**	**508,147**	522,345
Premises	-	**202,854**	-	**202,854**	146,182
Administration	**2,686**	**6,898**	**202,005**	**211,589**	208,710
Bursaries	-	-	**84,578**	**84,578**	91,945
Total Direct Costs	**2,686**	**248,803**	**755,679**	**1,007,168**	969,182
Support Costs					
Staff Costs	-	**189,216**	-	**189,216**	198,483
General office	-	**68,409**	-	**68,409**	64,886
Finance	-	**11,385**	-	**11,385**	13,087
Governance	-	**17,582**	-	**17,582**	9,819
Travel	-	**15,708**	-	**15,708**	5,846
Publicity	-	**15,306**	-	**15,306**	38,089
Events	-	**1,725**	-	**1,725**	309
Depreciation	-	**27,475**	-	**27,475**	28,274
Professional & Sundry	-	**51,284**	**39,179**	**90,463**	12,621
Total Support costs	-	**398,090**	**39,179**	**437,269**	371,414
Grand Total	**2,686**	**646,893**	**794,858**	**1,444,437**	1,340,596

NAZARENE THEOLOGICAL COLLEGE

England & Wales - Charity number 526675

Accounts

CHARITY REGISTRATION NUMBER: 526675

Nazarene Theological College

Financial Statements

30 June 2021

ALEXANDER BURSK LIMITED
Accountants & statutory auditor
Parkgates
Bury New Road
Prestwich
Manchester
Lancashire
M25 0JW

Nazarene Theological College

Financial Statements

Year ended 30 June 2021

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Nazarene Theological College
Report of the Board of Governors
For the year ended 30 June 2021

The Board of Governors presents its report and audited financial statements from 1st July 2020 to 30th June 2021. Voting Governors serve as the Trustees of the college.

Reference and Administrative Details

Names of the charity trustees who manage the charity and were in place in 2020-2021.

	Name of Trustee	Position on Governors	Term	Body of Appointment
1.	Mr. Ian Burleigh	Vice Chair Executive member Member at large	Jan 26th 2019-Jan 2022	National Board Appointee: section 3
2.	Mr Steven Leach	Secretary Executive member Member at large	Jan 26th 2019- Jan 2022	National Board Appointee: Section 3
3.	Rev. Carl McCann	Executive member Ex officio	April 17th 2021 4-year term renewed	British Isles South District The District Superintendents of the British Isles North District and British Isles South District, are ex-officio by virtue of office.
4.	Rev. Ruth Turner	Executive member Ex officio	May 18th 2021 2-year term renewed	British Isles North District The District Superintendents of the British Isles North District and British Isles South District, are ex-officio by virtue of office.
5.	Mrs. Mary Wood	District lay representative	March 17th 2019- 2022	British Isles North District Governors are elected in equal numbers by each District Assembly of the Church of the Nazarene and serve between one and four years.
6.	Mr. Iain McGookin	District lay representative	April 17th 2021-2024	British Isles North District Governors are elected in equal numbers by each District Assembly of the Church of the Nazarene and serve between one and four years.
7.	Rev. Lorraine Bell	District elder representative	April 17th 2021-2024	British Isles North District Governors are elected in equal numbers by each District Assembly of the Church of the Nazarene and serve between one and four years.

8.	Rev. Osahon Jeremie Ogbewei	District elder representative	April 17th 2021-2024	**British Isles South District** Governors are elected in equal numbers by each District Assembly of the Church of the Nazarene and serve between one and four years.
9.	Mr. Andrew Hollingworth	District lay representative	May 14th 2020-July 2021 (resigned due to appointment as consultant)	**British Isles South District** Governors are elected in equal numbers by each District Assembly of the Church of the Nazarene and serve between one and four years.
10.	Mrs Laura Nike	District lay representative	April 17th 2021-2024	**British Isles South District** Governors are elected in equal numbers by each District Assembly of the Church of the Nazarene and serve between one and four years.
11.	Mr. David Day	Member at large	Jan 26th 2019- Jan 2021 (extended to Jan 2022 due to Covid)	**National Board Appointee: Section 3**
12.	Rev. Arthur Snjiders Netherlands	Member at large	November 28th 2020-2023	**National Board Appointee: Section 3**

Names of the Board of Governors co-opted as advisors for expertise, representation and the development of the Charity who were in place in 2020-2021. All non-voting participants in meetings of the Board.

1.	Phyllis Thompson	Board co-option	Nov 2018-Nov 2021 (Extended to Jan 2022 due to Covid)	Board of Governors Section 5
2.	Mr. Gareth Lawson	Board co-option	April 17th 2021-2024	Board of Governors Section 5
3.	Mrs. Rosemary Arnold Knights	Board co-option	November 28th 2020-2023	Board of Governors Section 5
1.	Rev. Stéphane Tibi	Regional Education Coordinator	Ex officio	Eurasia Region
2.	Rev. Dr. Klaus Arnold	Commissioner International Board of Education	2020-following	General Church

3.	Rev. Jim Ritchie	Eurasia Regional Director	2020-following	Eurasia Region
4.	Rev. Dr. Deirdre Brower Latz	Principal Executive member	2012-following	Board of Governors
5.	Mr Joe Boston	Student Body President	2020-21 April 27th	Student Body: Section 4
6.	Mr Tim Geddes	Student Body President	April 27th 2021-22	Student Body: Section 4

Names of the charity trustees who completed their term of office in 2020-2021.

Rev. Jim Ritchie Governing executive member	**October 2019. Resigned to move to a new role on the Eurasia Region Church of the Nazarene**
Mr. Andrew Graystone Chair (appointed May 2017)	**Completed his term of office April 17th 2021**
Revd Lynn McLean-Birkinshaw	**Completed her term of office April 17th 2021**
Mr. Chris Ross	**Completed his term of office April 17th , 2021**
Mr. David Davies	**Completed his term of office April 17th , 2021**
Rev. Karl Stanfield	National Board election January 2019-2020 **Extended due to** Covid-19 until **April 17th , 2021**
Rev. Nathan Payne	**Completed his term of office April 17th 2021**
Rev Ruth Turner	**2021 completed initial term of office as appointee**
Mr Andrew Hollingworth	**July 2021 resigned from Governors**

Charity name	Nazarene Theological College
Charity Registration Number	526675
Principal Office	Dene Road Didsbury Manchester M20 2GU

Board of Governors

The Chairman and Vice Chairman are elected by the Governors.

The following trustees are designated to hold title to land and buildings belonging to the charity and are designated to be signatories to mortgages held on behalf of the charity:

Mr. Ian Burleigh (Vice Chair May 2017-2020, Chair 2020-present)
Mr. Steve Leach (Secretary appointed May 2017-present)
Rev. Ruth Turner (Ex Officio and member of the executive, 2019-present)
Rev. Carl McCann (Ex Officio and member of the executive, 2019-present)

The College does not have any funds held as custodian trustees on behalf of others.

Principal staff

Principal	Revd Dr Deirdre Brower Latz
Vice Principal & Academic Dean	Dr Peter Rae (from July 1st 2019)
Director of Research	Dr. Kent Brower
Director of Operations and personnel	Ms. Pauline McKendrick (from September 2018)
Finance Manager	Mrs. Simona Stanfield (on maternity leave August 2021-present)
Finance Consultant	Mr. Andrew Hollingworth (August 2021-present)

Registered Office

Nazarene Theological College
Dene Road
Didsbury
Manchester
M20 2GU

Website: www.nazarene.ac.uk

Auditors

Alexander Bursk Limited
Parkgates, Bury New Road
Prestwich
Manchester
M25 0JW

Bankers

Barclays Bank PLC
1st Floor
3 Hardman Street
Spinningfield
Manchester
M3 3HF

Solicitors

Anthony Collins Solicitors
134 Edmund St,
Birmingham B3 2ES

Our Objectives and Activities

Purposes and aims

Our charity's purposes are set out in the objects of the charity which are to foster, promote and maintain theological higher education in harmony with the Manual of the Church of the Nazarene, as interpreted by the General Assembly of the Church of the Nazarene in session from time to time.

The aims of our charity will include, but not be limited to,

a) Operating as an institution within the Higher Education sector in the United Kingdom but as an integral part of the Church of the Nazarene, the College shall serve the UK and global Nazarene community as well as the wider Christian community.
b) Providing the church's philosophical and theological framework which at all times is rooted in the biblical and doctrinal commitments to the Wesleyan tradition and accountable to the stated mission of the denomination.
c) Guiding all those who participate in its life by accepting, nurturing and expressing in service to the church and the world a consistent and coherent Christian understanding of social and individual behaviour.
d) Providing a curriculum quality of instruction and evidence of scholarly achievement that will prepare graduates at both undergraduate and postgraduate levels to function effectively in the various vocations of Christian discipleship and ministry.

Activities

The Officers of the College continue to work on the annual monitoring and evaluation of the current strategy. Full reports are given to the Governors on the progress being made towards the fulfilment of the agreed vision and direction of the institution.

The activities of the College continued to be significantly impacted by Covid-19, reflected throughout the report. The Governors were highly engaged in decision making ensuring the management of risk and development.

In this year:

The Governors of the College consider that the College's aims, objectives and activities as described herein demonstrate proof of public benefit in the advancement of religion and in the advancement of education. Within its core operations the College offers a non-discriminatory policy assuring the mission, vision, values and ethos of the College are upheld.

In addition, through the work of the ancillary services additional public benefit is served. These include, but are not limited to,

a) Providing access to the College's library facilities to external memberships
b) Providing access to the resources and library of *the Manchester Wesley Research Centre* which is housed within the College's facilities
c) Providing access to the resources and library of the *Manchester Centre for the Study of Christianity and Islam* which is housed within the College's facilities
d) Providing access to the resources and library of the Manchester based arm of the *Movement for Justice and Reconciliation.*
e) Providing access to the College's facilities for use by local organisations, other educational bodies, churches, public open days and through participation in local and national community events.
f) Assisting students as and when practicable and necessary through a policy of bursaries or hardship grant aid in order to meet their tuition and living costs.

In the period of Covid 19 to present, access to the property of the College continued to adhere to Government and Office for Student, National Health, Test and Trace guidance. Enhanced risk assessments were carried out regularly alongside a suite of mitigations ensuring the health of all. The College's public facing work moved to digital and online engagement and provision and forward planning seriously considered all possible options for gradual resumption of in-person and on-site learning. The College also proactively reviewed any benefits and learning opportunities for the institution from the extended period of disruption.

Achievements and performance: The focus of our work

The key areas of focus of the College personnel and Governors continue to include the following, which reflects past, present and future actions:

a) Agreement and implementation of the Strategic objectives of the College centred upon key areas:
   - Identification of the Foundation on which the College is built
   - Institutional Identity
   - Academic Development
   - Partnership and Collaborative Development
   - Administrative Development
   - Finance and Fundraising
   - Faculty Development
   - Publicity and Recruitment

b) Continuing Course Delivery or our undergraduate programme – primarily online.

c) On-going registration of the College with the UK Borders Agency as a Tier 4 sponsor for students from outside the European Economic Area has been maintained and our sponsorship is carefully monitored. This was reviewed in the year and continued.

d) Participation in the Teaching Excellence Framework: The College received achieved a silver award in the Teaching excellence framework from the National Student Survey.

e) The college received 100% satisfaction in the National Student Survey for 202-21, and was alone in theological colleges in so doing.

f) Key personnel appointed in both student support and administrative areas ensure the smooth running of academic administration and high level of professionalism.

g) Developing new and alternative means of delivering education across the programming, including pre-degree support and post-graduate degree support – to the extent of examinations being approved for zoom, and a range of mechanisms in place to support the development of research as a key component of the .

h) Access to learning through digital and off-site for those unable to attend classes in person was continued.

i) Significant investment in onsite campus-based IT in order to ensure our communication and digital services continue to be excellent.

j) Fundraising programmes to secure funding for the future, including Legacy giving, Library support and funds for Campus development continued to be a focus.

k) Alumni developments were strategically emphasised including a focus on this area by the Vice Principal as part of redeployment of his role

l) The appointment for an Assistant Dean to support the development of future programmes

m) Developing a protocol to enable 'Work from home' as necessary throughout the primary period of Covid-19 but also the ensure return to community as soon as practicable.

n) Accessing Government provision during Covid-19:
   a. furloughing a number of the staff and faculty, ensuring business as usual was cared for but also to ensure finances were managed carefully.
   b. Regular engagement with seminars provided by Government departments around the issues of Covid and University responsibilities throughout

o) A Learning Centre in Birmingham was developed in partnership with Urban School of mission enabling the College to deliver services more widely.
p) Learning centres with the Free Methodist Church were closed.
q) We ran a successful conference with the Asbury Theological Seminary partnership and developed key relationships with partners and learners there.
r) Promoting the College in all areas and recruiting students at both undergraduate and postgraduate levels.
s) Offering non-validated online in order to serve its constituents and develop its profile,
t) Working with leaders from the majority South to identify key people who would otherwise be excluded from Higher education and establishing a scholarship to support such students.
u) Continuing to attract and explicitly support students from non-traditional backgrounds and enable them to thrive in learning.

Academic Achievements and Performance

The College is a partner college of the University of Manchester and its awards, from the Diploma to the PhD, are validated through The University of Manchester. The validation of NTC through the University of Manchester continues as a positive relationship of mutual respect and is valued and nurtured by the College and esteemed highly by its students. The relationship gives strength to the ongoing strategic goal of the College to offer academic excellence across its programmes. This year the College offered a nationally profiled conference in Aging and Theology in partnership with the University. We have also continued to develop supervisors in relation to good practice in partnership.

The College's Degree in Youth Work and Community is a validated by the National Youth Agency as meeting the Joint Negotiating Committee professional standards for youth workers. This validation is due for renewal in 2022.

The College runs taught academic programmes at both undergraduate and postgraduate levels; it also supervises Research Degree programmes. Courses commence with a flexible one-year certificate course and continue through to the PhD programme. The range of courses now offered is as follows:

Undergraduate

Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology.
Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry.
Bachelor of Arts Degree in Theology, Youth Work and Community.
Certificate, Diploma, Bachelor of Arts Degree and Honours of Arts Bachelor Degree in Practical Theology.

Note: the course specifications for the Certificate, Diploma, Bachelor of Arts Degree and Honours Bachelor of Arts Degree in Theology, Youth Work and Ministry/Theology, Youth Work and Community were rewritten and approved. The awards in Youth Ministry/Youth Work continue to have validation through both the National Youth Agency of the Joint National Council award and Scottish Council for Learning and Development.

Postgraduate

Post Graduate Certificate, Diploma and Master of Arts Degree in Theology:
Post Graduate Certificate, Diploma and Master of Arts degree in Theology with streams in a range of areas all approved by the University.

Research degrees at both MPhil and the PhD level (including the Practice-based PhD) are individually pursued by students and supervised by the College, the current level of students on research programmes is 37, with several students satisfactorily completing their degrees in the past year.

The College subscribes to the Quality Assurance Agency (QAA), the OfS designated body for quality, to provide assurance that the College is meeting UK expectations for the academic standards of awards offered, and the quality, information and enhancement of learning opportunities provided.

We work within the Home Office Prevent Duty framework to recognise and reduce risks of radicalisation.

International Activity

A number of our faculty continued to be speakers and engaged in professional conferences throughout this year. The cohorts for international students were services through online engagement and the development of a pre-degree programme to ensure early support for student success. Partnerships with faculty from Trevecca Nazarene University and Boston University were developed for engagement in teaching and learning opportunities in 2022.

Non-Academic/Student Support Achievements and Performance

The College continued to support student support services and a number of students remained onsite throughout Covid-19.

The College offered online Mental Health First Aid courses, and these were very positive. Investment in key bursaries to support developments, hardship and enable students to access learning continued. We have also continued to work towards training and development in antiracist practice, partly in response to the Black Lives Matter movement.

The campus development project was paused although planning permission was eventually received. We are keeping this under review for implementation.

The roof of the College was a matter for concern and we began a phased response to deal with urgent repairs. We received a £50,000 single donation for part of the repair, and a £50,000 unsecured loan for part of the repair from the Eurasia Region of the Church of the Nazarene, repayable from 2022. These were in addition to donations through fundraising.

The College successfully completed a number of data capture pieces of work, including: Higher Education Funding Council (HEFCE), Higher education in Alternative Providers Early Statistic Survey (HEAPES), Destination of Leavers from Higher Education (DLHE), National Student Survey, PREVENT, UK Border agency sponsorship regulation, and the USA Veterans Affairs audit. The College has continued to manage its regulatory framework well.

The Office for Students noted that we had not updated our Chair of Governors, however, we completed that as a matter of urgency.

As a result of the increasing regulation and compliance we established a committee, 'Compliance and reporting' to centralise our approach, review our policies and create a system of reporting in a newly systematised way. The increasing burden of regulation, changing regulations in a range of bodies, and the cross-over between finance, operations and academic reporting meant that we needed to enhance our structures and internal accountability.

The College completed various transitions in the finance office to ensure compliance and efficiency. Simona Stanfield continued as finance manager, though indicated that after the year end was complete, she would leave for maternity leave. Mrs Li Jen Huang resigned to take up a post and was replaced after an interview process by Mrs. Dana Gheorga, a trainee accountant. Having reviewed the college needs and been unsuccessful in appointing maternity cover, the college approached Mr. Andrew Hollingworth, a consultant who was a finance manager with a great deal of experience in reviewing and auditing systems who had previously helped the college. Having been subsequently appointed as a Governor we asked him to consider taking on the consultancy

role to support the finance office with the obvious concomitant implication he could no longer continue as a Governor. He agreed to do this. We then hired Mr. Musa Jibril as an additional support to the finance book-keeping.

The Governors reviewed their own practice, including the Board Code of Practice Manual and the Constitution. A solicitor specialising in Charity Governance reviewed the Constitution and suggested some clarifications and changes. A small committee of the Chair and Secretary of the Governor Executive and the Principal and Director of research met to review her suggestions. The Constitution is in the process of being amended in accordance with its provisions for Amendments. The impact of the review will be to clarify and sharpen some of the language.

Benefits to Society

We benefit wider society relate to heightening awareness of the role religion can play in advocating for good, bringing peace, reconciling across faith communities, and enabling people from faith backgrounds to develop their own understanding. With students from a range of backgrounds, we ensure also that our students, many employed in the third sector, charities and religious settings will impact wider society by enhanced understanding of the world and the way people think. Character formation, ethical principles, best practice for community development and ways of approaching the world that are respectful and thoughtful are also part of the intended outcomes of our work.

Globally our students take roles in leadership at a number of levels, from institutional leadership to engagement in government. At the grassroots they are people committed to seeing communities and individuals thrive. In the last year, several of our Graduates have been employed in other University or Church leadership roles, including the move of one of our faculty members to take up a Senior Role in Leadership at a sister college in Australia.

Our undergraduate and postgraduate students are drawn from across the UK and beyond and range in age from 18- mid 70s.

The college has significant success in ensuring as many in underrepresented groups achieve access to education. Year on year we are investing in enhancing and supporting students from low participation areas and communities to thrive.

Our provision is for a wide range of people but is also attracting mature students with a direct interest in developing themselves further as professionals in a range of industries.

We further engage with a range of people who have disabilities and the College has invested in provision for these students. The high level of students with disabilities is viewed as positive by the college, as we fulfil our aim of being an accessible and flexible place of learning. We believe that our approach to excellent support, wrap around care, and small class sizes mean that the College is a safe place for people with additional needs to find their way to success.

Use of volunteers

The College is grateful to and indebted to, those members of our denomination who, in response to the needs identified, are able to offer themselves as volunteers to assist in non–academic areas of the College life. These include maintenance work, housekeeping assistance, general clerical work, cooking, library support and a range of other roles.

During their period of volunteering, all volunteers operate to the guidance of the College's policies and procedures and are covered under the required Health and Safety regulations.

Grant making policy

The College takes the view that it will do whatever is in its power to assist students, particularly those from the majority world, in meeting the cost of their tuition and living expenses. Accordingly, several scholarships have been established through donations to the College that qualifying students can benefit from. The scholarships are restricted and treated as such in the accounts.

The college gives a range of grant support and scholarships with the clear aim to caring for those who may not access education. This also enables students from non-traditional backgrounds to make it. We have solicited specific funds for the Global South and for people from black and other ethnic backgrounds to access and develop in education. We see this as a key part of our orientation around caring for those on the margins.

We have agreed our access and participation plan with the Government.

Financial review

The college's tuition fees are reviewed on an annual basis. Our aim in setting fees is always to be commensurate with the sector and achieving a breakeven operating budget.

The college's finances were impacted significantly by Covid-19 and we continue to work through the legacy effect of the pandemic. Salary pay cuts made in 2019-20 have been retained with the effect of the salaries essentially being frozen. We have continued to work through scenario planning for the short, medium and long term.

Following careful management, the college's year end results were positive. We attribute this, however, to a legacy received, the Government job retention support scheme and careful management and cuts to our operating budget.

In the last year we applied for, and received, a three-year grant 'Science for seminaries.' This included funds towards delivery of courses that demonstrate theology and science as a conversation partner. Our Academic Dean, Dr. Peter Rae, and faculty team, are overseeing the delivery of the materials.

The projections for the coming year, which will end 30th June 2022 have been based on the previous year's income and expenditure (year ended 30th June 2021).

We anticipate:
a) a continued low student uptake of HE places at the College, particularly at Undergraduate level
b) a relatively stable intake at Masters' and PhD level
c) robust rental of the facilities
d) accommodation at least 80% of capacity
e) strategic developments and investment in order to move the college forward
f) a significant increase in fees from the University of Manchester for programmes, pathways and per student

The Trustees and the Senior Leaders of the College have kept the finances under constant and regular review.

The restricted funds held by the College for the purposes of Scholarships and Principal's Project have been drawn upon in accordance with policy and the intended purpose of the donations, and these transactions are reflected in the attached financial statements.

Audit Review

The Audit from the year 2020-21 was reviewed by the Governors and responded to.

Alexander Bursk, appointed in 2015, help us continue to ensure we are robust in our financial management and practices.

We continue to have an outside observer who is a professional auditor, though serving in a voluntary capacity, he offers Governor scrutiny of our practice in meetings. This role is ongoing and will support the development of Governors into 2021-22.

Investment Policy

In compliance with the Charity Commissioners' guidance "Charities and investment matters: a guide for trustees" (CC14 last updated on 1 October 2011) the College Governors have implemented an Investment Policy. The key issues addressed are:

a) the need for enough resources for the charity to carry out its present and future activities effectively
b) the level of acceptable risk and how to manage it, and
c) the charity's stance on ethical investment

This policy is reviewed every two years by the finance sub-committee of Governors, however, any investment decision needing the approval of the finance sub-committee will in turn be referred to the full meeting of Trustees.

Reserves policy

It is the intention of the College Governors to continue a programme of securing a reserve of funds to provide a protection against any temporary downturn in student numbers. The level of reserves to be set aside for this purpose will be in accordance with the Reserves Policy and Governors will determine the amount to be so set aside to reach this target on an annual basis where possible.

Amount of reserves held: the unrestricted and restricted funds held in cash at bank and in hand amount to £2,890,948 of which £2,526,152 were unrestricted and £364,796 were restricted.

The Charity continues to operate as a going concern. The basis of this is student recruitment, the development of additional funding streams for students and the increase in regular donations. Our on-going validation with a world class university also makes us attractive for students and our impressive graduating class in research degree programmes enhances our reputation year on year. Additionally, the property portfolio has a value well in excess of the Balance Sheet valuation and this, should it be required, could be realised to more than cover any unforeseen liabilities. We are actively working towards developing our funds.

Principal funding sources

The principal source of funding continues to be the income generated through tuition fees for students plus meeting their accommodation needs through Halls of Residence. A further valued source of funding continues to come from both the General Church of the Nazarene through an operations grant and also from churches in the UK who contribute through their annual budgets to the work of the College. Neither of the latter two sources are either restricted or designated funds.

Administrative Review

This year the Operations Director has reviewed processes and policies. We are undertaking a systematic approach to cross-checking all policies and ensuring they are all streamlined for use and access.

After the resignation of our Marketing Director, Chris Cherrill, to take up another role, the college appointed a new Recruitment and Marketing Director. She has reviewed all marketing spending, revised the budget expenditure and reconfigured her team, including the appointment of a Digital marketing coordinator.

We have continued with risk assessments related to the impact of Brexit and other Government actions on the life of the College. We have developed and regularly reviewed risk assessments for Covid-19: they are publicly available on the website.
We also actively participate in government consultations on changes in the higher education authority to keep abreast of any external risk factors.

Core team members undertook training in 'PREVENT' over the course of the year and have managed and reported within the agreed terms of the Prevent agenda.

Plans for future periods

The College plans for the current period relate to ongoing management of the previously agreed strategic plan. This covers primary areas identified in the implementation and review of the earlier strategic review. These are identified as a) Academic excellence and research led learning, b) Christ-like community focussed.

Within these areas the college has a clear focus on:

Student Recruitment

- we will widen student recruitment including reaching new markets
- ensure that the education experience of current students remains positive
- offer continued improvements to our courses

Programmes of Study

- we will widen our programmes of study including in the Asian Christian Studies and Community Development areas
- review our Youth programmes to ensure we develop them in keeping with our strategic vision

Partnerships

- we will continue to seek partnerships with compatible entities in order to develop our profile and reach
- make our college accessible to a wide range of partners and their people
- work on delivering the Science for Seminaries for materials for fulfilment of our grant

Geographical Reach

- The college will continue to develop our relationships with the Global South for faculty development
- The college will continue to strengthen relationships with partners in North America
- We will continue to recruit from beyond the UK to all levels of programme
- We will serve diaspora communities within the UK

National and International Profile

- We will continue to develop our international and national profile in order to develop a pipeline of students
- We will invest in development of our alumni networks

Finances

- In order to be sustainable we need to have growth over and about our costs,

in particular, in the short term we aim to return our staff team to their 2019 salary levels.
- In the longer term, we need to review our financial modelling and fundraising/partnerships
- We will continue to work towards a healthy financial culture including careful projections and budgeting and development of security for medium and long-term planning
- We note that we have very few significant trust donors and we will revisit any opportunities in this area
- We applied for, and received, funding from the 'science for seminaries' grant fund, and will spend this in accordance with the requests

Campus

- The primary focus in our campus is the renewal of our roof
- Planned maintenance and refurbishment of student accommodation
- Continued letting as space and restrictions permit

Governance

- We will be reviewing our Constitution and our Governance practices
- Replenishing and recruiting Governors for the coming cycle
- Ensure ongoing support for our Governors is offered by the College team
- Undertake induction and training for all Governors, new and returning
- Review the strategic direction and reporting mechanisms received by Governors to ensure that they are clear and satisfactory
- Aim to develop a plan for a full-strength board of trustees with a matrix of skills and backgrounds in order to provide effective Governance and leadership

In this year we have also agreed that the following support areas - i) the development of key missional partnerships, ii) ongoing moves towards financial, human resource and operational sustainability and iii) enhancing our communication (including publicity, marketing and recruitment). We will consider how we invest in them in order to achieve our strategic aims in each of these areas.

The College continued the process of reviewing and developing its Vision Document for the ten years to 2030 which is a comprehensive and forward-thinking document to enable the College to continue to meet its aims and objectives. This vision documents focusses on how the College will develop, enhance its operations and grow to enable a sustainable future. The Principal is meeting with a team of strategic leaders from different sectors to develop our approach to strategic engagement. The College also invested in a 'coach' for the Principal to support clarity around strategic development.

Academically the College is increasing our emphasis on recruiting into Masters level. The College is continuing developing its capacity for flexible and effective learning in a variety of on-line and off-site ways. The College is working with sister institutions to offer opportunities for intercultural study. We are working to review our undergraduate programming to ensure it continues to offer excellence and cutting-edge theological thinking. The College is also working to develop and enhance our core faculty team. We are also enhancing our student learning support provision and chaplaincy/counselling services.

The College continues to invest in a research and development project to develop a plan for pre-degree-level learning and additional programmes.

The College is developing its physical plant in relation to the academic developments which are our core business

In the year the college has invested significantly in the research and development of:

a) A **Centre for Asian Christian Studies**, led by Dr. Mi Ja Wi
b) A **Community Development programme**, led by Mrs. Anna Whitfield
c) The **Manchester Bible School** pre-degree short courses, which offer church facing lifelong learning opportunities, led by Rev. Louise Kenyon

All of these areas are considered potentially significant for our developments in the future, creating pathways or pipelines into learning, enhancing our profile and emerging into new markets for the college's reach.

We have also considered how to support ongoing development of key areas of the college. We invested significantly in the arrangements to bring Rev. Dr. Jacob Lett as a core member of our Academic Team. Strategically he will oversee our Postgraduate programmes and release our Academic Dean to develop other areas identified in our strategy as imperative – primarily the Alumni network we serve.

The **Academic Board** continues to explore:

a) creative and alternative modes of delivery.
b) partnerships with other Wesleyan institutions of Higher Education.
c) course development relating to the needs of academic programming, training for ministry and theological benchmarks in the 21st Century.
d) the implementation of strategic planning across all levels of academic life in the College.
e) Active promotion of the College in all areas and the recruitment of students at both undergraduate and postgraduate levels from both within and outside the European Economic Area.

The **Administrative Council** continues to explore:

a) seamless integration of all administrative functions.
b) all departments of the College continuing to operate and improve in their efficiency.
c) streamlining processes and procedures.
d) financial sustainability.
e) further development of publicity and recruitment in targeted ways.
f) compliance with the Prevent Government agenda.
g) training and enhancement of our staff team.

Structure, governance and management

Governing document

The College is governed under a DECLARATION OF TRUST deed dated 25th June 1970 as amended 2nd February 1990 and again on the 1st February 1991 and the CONSTITUTION as approved by two thirds of the members present and voting at both the North and South District Assemblies of the Church of the Nazarene and as amended from time to time in accordance with the Constitution.

Recruitment and appointment of Governors

The Governors of the College are appointed by election at the Annual District Assemblies of the North and the South Districts of the Church of the Nazarene in the UK. A nomination committee currently proposes names of members of the denomination to the delegates to vote upon, there being an equal number of Governors appointed from each District. In addition to those appointed in this way, the two elected District Superintendents are appointed by virtue of their office as ex officio members of the Board of Governors, and, under the Constitution, up to four additional Governors can be appointed from outwith the denomination and four members-at-large are appointed by the British Isles National Board of the Church of the Nazarene.

In the light of the Covid-19 the election of new Governors and replacement of any coming to the end of their term of service was delayed for one year.

The appointment and code of operation of members of the Board of Governors is set out in full in the Constitution of the College.

The Governors of the College are elected and appointed as set out in the Constitution. Within this document the voting Governors are referred to as the Trustees and are unambiguously and collectively accountable for the institutional activities and take all final decisions on matters of fundamental concern for the college. In order to ensure limited liability, the college has a practice of ensuring business liability cover is included in our insurance. In the past year, however, and stretching into this year we are reviewing our Constitution and, when it has been approved by our Governors, we will send any amendments to the Charity Commission for approval.

The College's approach to governance applies the Public Interest Governance principles of the Office for Students. It also follows the good practice for the Higher Education sector identified in "the Higher Education Code of Governance" produced by the Council of University Chairs.

Induction and training of trustees

All Governors are made aware of the ethos and mission of the College and participate in regular training programmes to increase their understanding of the role and also the issues affecting the work of the College. Governors are encouraged to access the Charity Commission website on a regular basis to download any and all relevant material and resources that will enhance their ability to fulfil their duties.

There is an Induction programme for newly elected Governors. The College invests in 'Governance' Magazine for all governors and has a Board Code of Practice for all who serve in this capacity. Each Governor has access to a dedicated and password protected Governance Moodle site (virtual learning platform).

Organisational structure

The organisational structure of the College is constantly developing as it seeks to meet and fulfil its stated goals and aspirations. The principal point of governance in all matters continues to be the Board of Governors to which all senior staff report, the Principal, Vice Principal, Dean, Director of Development and HR.

The **Core Leadership Team** (CLT) of the college, previously known as the Senior Leadership Team, is the key management group, led by the Principal, for the day-to-day operations of the College. CLT members attend board meetings during the year for the majority of items discussed. The process to appoint and set pay for CLT members are determined in accordance with the constitution. The Board of Governors have a remuneration committee which reviews pay, structures, professional development financing and ensures that the College is considering pay levels as appropriate to the experience, responsibility and market of the sector. There is no automatic entitlement to annual salary increases. The philosophy of the College emphasises paying its least well-paid staff at least the living wage. The structure is also relatively flat, with the Core Leadership Team paid well, but within keeping with the Higher Education and the church ministerial pay structures they relate to.

In addition to the Core team and its operations, there are two significant Boards through which all policies and proposals must pass in order to be presented to the Board of Governors for the Trustees vote, these are the Administrative Council and the Academic Board. The Academic Board approves all matters of an academic nature including new programmes, and the Administrative Council receive and approve all matters of a financial and administrative nature, in particular the approval of any proposed change to an existing policy or a new policy.

Below these Boards, a range of operational and reporting Boards meet including the extended Leadership Team, which is composed of the Principal, Vice-Principal, Academic Dean/s, Director of Operations and Personnel and Director of Recruitment and Marketing, which reports to the above Board/Council.

A further committee which implements operational decisions and reviews the cash flow and budgets for the College is the Finance Meeting which is minuted and minutes sent to the Administrative Council.

In addition, as with all such institutions, a range of other committees meet on a regular basis to deal with the day-to-day operations of the College and which make recommendations to or seek approval from the other bodies mentioned above. These committees include, but are not limited to Faculty, Publicity and Recruitment and Library, etc.

In the coming year the College will review its internal structures to ensure collaboration, culture and efficiency are baked into our systems. We will revisit how we create and store documents to ensure they are 'living' and in use.

Representation at Board meetings:

The Principal, CLT and student representatives are part of Board of Governor meetings, providing necessary perspectives to support the Board to govern effectively. The Principal, who attends meetings *ex officio*, and any additional paid member of the team invited into meetings, have full rights of attendance and participation at meetings, but in line with the College's constitution as a charity, as employees and beneficiaries of the Charity, they do not have voting rights. Student representatives have no less right of participation and are not in any way disadvantaged.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and purposes.

Risk management

The risk management strategy of the College is reviewed and a risk assessment completed by the Senior Leadership Team and reviewed by the Governors annually in their November meetings. There is a continual process of formulation and development in response to the changing circumstances that could impact upon the work of the College and its fulfilment of its ethos and mission.

The Board of Governors, in considering this important task, take direction from the on-going discussions of the College personnel, both internally and through their meetings with external advisers, and seeks to find ways to mitigate the impact of such risks through proactive planning and transferring of identified risks on an on-going basis.

Related parties

Any and all related parties are clearly identified in the notes to the Accounts. At each meeting of the Governors there is a conflict of interest form to clearly identify any matters that arise and a register kept.

In the course of this year, due to the appointment of Mr. Andrew Hollingworth as a financial consultant he ceased being a Governor. Mr. Hollingworth did not participate in any Governance activities since the commencement of his contract in August 2021, prior to this he served on the Operations and Personnel Committee of the Governing body.

The elections of trustees from the British Isles South and North District and the *ex officio* appointments of the District Superintendents mean that from time to time there are transactions between those entities and Nazarene Theological College. This is disclosed in note 29.

Statement of Board of Governors' responsibilities

The Board of Governors is responsible for preparing the Board of Governors' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law in England & Wales requires the Board of Governors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period. In preparing the accounts the Board of Governors 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;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the Financial Statements comply with the Charities Act 2011 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Voting Members of the Board of Governors, who are trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

Advisors to the Board who served during the year and up to the date of this report are set out on page 2.

Auditors
Alexander Bursk Limited were reappointed.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS102) and the *Charities Act 2011*.

Approved by the Board of Governors and signed on its behalf by:


Mr. Ian Burleigh

19th November, 2021

Nazarene Theological College

Independent Auditor's Report to the Members of Nazarene Theological College

Year ended 30 June 2021

Opinion

We have audited the financial statements of Nazarene Theological College (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, statement of changes in reserves, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- the requirements of the OfS's accounts direction have been met.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The objectives of our audit in respect to fraud are to identify and assess the risks of material misstatement of the financial statements due to fraud to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the college and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework FRS107, the Charity SORP, the Charity Act 2011 (2).

Other significant laws or regulations are those relating to occupational health and safety and data protection.

We understood how the college/charity is complying with these frameworks by making enquires of management and those responsible for legal and compliance procedures. We corroborated our enquires with our review of board minutes and any correspondence received from regulatory bodies.

We assessed the susceptibility of the Charities financial statements to material misstatement including how fraud might occur by making enquires of management to where they considered there was susceptibility to fraud, there knowledge of actual, suspected and alleged fraud.

The risk of fraud and non-compliance with laws and regulation and fraud and the risk of fraud through management bias and override of controls was discussed within the audit team and tests were planned and performed to address these risks.

To address these risks we reviewed financial statement disclosures and tested to supporting documentation. We carried out analytical review procedures to highlight unexpected variances and relationships - any of which were investigated.

The accounts were reviewed to highlight large unusual transactions that would be investigated.

Manual journals and journals pre and post year end were reviewed. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud an error.

There are inherent limitations in our audit procedures described above and an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed the audit in accordance with auditing standards.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



B Fine FCA (Senior Statutory Auditor)

For and on behalf of
Alexander Bursk Limited
Accountants & statutory auditor

Parkgates
Bury New Road
Prestwich
Manchester
Lancashire
M25 0JW

1 April 2022

Nazarene Theological College

Statement of Financial Activities

Year ended 30 June 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments					
Donations and legacies	4	210,097	83,153	**293,250**	279,154
Charitable activities	5	1,024,248	–	**1,024,248**	1,112,636
Investment income	6	2,742	351	**3,093**	3,760
Other income	7	195,024	–	**195,024**	186,708
Total income		1,432,111	83,504	**1,515,615**	1,582,258
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	69	–	**69**	471
Expenditure on charitable activities	9,10	1,273,564	66,963	**1,340,527**	1,425,274
Total expenditure		1,273,633	66,963	**1,340,596**	1,425,745
Net gains/(losses) on investments	12	1,079	–	**1,079**	(9,978)
Net income		159,557	16,541	**176,098**	146,535
Transfers between funds		(1,196)	1,196	**–**	–
Net movement in funds		158,361	17,737	**176,098**	146,535
Reconciliation of funds					
Total funds brought forward		2,367,791	347,059	**2,714,850**	2,568,315
Total funds carried forward		2,526,152	364,796	**2,890,948**	2,714,850

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 27 to 39 form part of these financial statements.

Nazarene Theological College

Statement of changes in Reserves

Year ended 30 June 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Balance at 1 July 2019	2,280,739	287,576	2,568,315
Net Income for the year ended 30 June 2020	87,052	59,483	146,535
Other comprehensive income / (expense)	–	–	–
Total comprehensive income / (expense) for the year ended 30 July 2020	87,052	59,483	146,535
Transfer	–	–	–
Balance at 30 June 2020	2,367,791	347,059	2,714,850
Net Income for year ended 30 June 2021	159,557	16,541	176,098
Other comprehensive income / (expense)	–	–	–
Total comprehensive income / (expense) for the year ended 30 June 2021	159,557	16,541	176,098
Transfer	(1,196)	1,196	–
Balance at 30 June 2021	2,526,152	364,796	2,890,948

The notes on pages 27 to 39 form part of these financial statements.

Nazarene Theological College

Statement of Financial Position

30 June 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	18		**1,953,281**	1,981,555
Investments	19		**111,330**	110,250
			2,064,611	2,091,805
Current assets				
Debtors	20	**174,260**		202,603
Cash at bank and in hand		**1,035,277**		725,034
		1,209,537		927,637
Creditors: amounts falling due within one year	21	**102,894**		109,840
Net current assets			**1,106,641**	817,797
Total assets less current liabilities			**3,171,252**	2,909,602
Creditors: amounts falling due after more than one year	22		**280,306**	194,752
Net assets			**2,890,948**	2,714,850
Funds of the charity				
Restricted funds			**364,796**	347,059
Unrestricted funds			**2,526,152**	2,367,791
Total charity funds	24		**2,890,948**	2,714,850

These financial statements were approved by the board of trustees and authorised for issue on 19 November 2021, and are signed on behalf of the board by:



I Burleigh
Trustee

The notes on pages 27 to 39 form part of these financial statements.

Nazarene Theological College

Statement of Cash Flows

Year ended 30 June 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	**176,098**	146,535
Adjustments for:		
Depreciation of tangible fixed assets	**28,274**	29,213
Net gains/(losses) on investments	**(1,079)**	9,978
Dividends, interest and rents from investments	**(2,640)**	(2,640)
Other interest receivable and similar income	**(453)**	(1,120)
Interest payable and similar charges	**8,675**	8,894
Accrued (income)/expenses	**(5,471)**	36,056
Changes in:		
Trade and other debtors	**28,341**	(42,204)
Trade and other creditors	**103,070**	(64,168)
Cash generated from operations	**334,815**	120,544
Interest paid	**(8,675)**	(8,894)
Interest received	**453**	1,120
Net cash from operating activities	**326,593**	112,770
Cash flows from investing activities		
Dividends, interest and rents from investments	**2,640**	2,640
Purchase of tangible assets	**–**	(4,573)
Proceeds from sale of tangible assets	**–**	1,280
Net cash from/(used in) investing activities	**2,640**	(653)
Cash flows from financing activities		
Proceeds from borrowings	**(18,990)**	(10,794)
Net cash used in financing activities	**(18,990)**	(10,794)
Net increase in cash and cash equivalents	**310,243**	101,323
Cash and cash equivalents at beginning of year	**725,034**	623,711
Cash and cash equivalents at end of year	**1,035,277**	725,034

The notes on pages 27 to 39 form part of these financial statements.

Nazarene Theological College

Notes to the Financial Statements

Year ended 30 June 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Dene Road, Didsbury, Manchester, M20 2GU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain investments measured at market value. The charity is a public benefit entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants are recognised when the charity becomes unconditionally entitled to the grant, unless the grant is related to performance and specific deliverables, when it is accounted for as the charity earns the right to consideration by its performance.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from fees, rents and trading activity are included in the period for which they are receivable or when earned.

Resources expended

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is included as part of the expenditure to which it relates:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct costs and support costs relating to such activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity.

Support costs include central functions and have been allocated entirely to charitable activities, which reflect the use of resources.

Bursaries payable

Bursaries payable are recognised in the year when an award has been approved by the trustees through the budget setting process and communicated to the recipient during the year by the finance team. Where such bursaries have not yet been paid at the end of the year, they are included within current liabilities.

Operating lease agreements

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged under the Statement of Financial Activities on a straight line basis over the lease term.

3. **Accounting policies** *(continued)*

Tangible assets

Fixed assets (excluding depreciation) are stated at cost less accumulated depreciation. Individual items costing less than £2,000 are not capitalised.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	1% straight line
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	33% reducing balance

Investments

Listed investments are measured at fair value with changes in fair value or gains or losses resulting from disposals being recognised within the statement of financial activities.

Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are revalued to their fair value at each reporting date and any changes in fair value are recognised in profit or loss. Prior to the introduction of FRS102, they were revalued at intervals of several years only.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

The charity contributes to defined contribution pension schemes on behalf of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees, and it has no other liabilities to these schemes.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Donations			
Donations	210,097	83,153	**293,250**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	172,145	107,009	279,154

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Fees	943,373	**943,373**	988,934	988,934
Bookshop sales	422	**422**	600	600
Education services grants (KC)	51,209	**51,209**	53,557	53,557
District budgets	29,244	**29,244**	69,545	69,545
	1,024,248	**1,024,248**	1,112,636	1,112,636

5a. Disclosure on Grant and Fee income

	2021 £	2020 £
Grant Income from OfS	**20,156**	26,511
Grant Income from other Bodies	**–**	–
Fee Income from taught awards	**504,324**	530,076
Fee Income from research awards	**404,361**	411,823
Fee Income from non-qualifying courses	**34,688**	47,035
Total grant and fee income	**963,529**	1,015,445

6. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Income from investment properties	2,640	–	**2,640**
Bank interest receivable	80	351	**431**
Other investment income	22	–	**22**
	2,742	351	**3,093**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Income from investment properties	2,640	–	2,640
Bank interest receivable	270	786	1,056
Other investment income	64	–	64
	2,974	786	3,760

7. Other income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Lettings and commissions	137,427	**137,427**	141,495	141,495
Employer's allowance and JRS income	57,597	**57,597**	44,492	44,492
Other income	–	**–**	721	721
	195,024	**195,024**	186,708	186,708

8. Costs of raising donations and legacies

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies - Donations	69	**69**	471	471

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Facilities costs	178,922	6,500	**185,422**
Education-related costs	733,606	50,086	**783,691**
Support costs	361,036	10,377	**371,414**
	1,273,564	66,963	**1,340,527**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Facilities costs	206,793	6,611	213,404
Education-related costs	760,981	41,699	802,681
Support costs	409,188	2	409,189
	1,376,962	48,312	1,425,274

In accordance with the Access and Participation Plan, this year the College has spent £23,100 on Access Investment, £4,500 on Financial Support bursaries for students from underrepresented groups, £12,000 of Fee waivers and £2,000 on hardship funds. In addition, £2,000 has been spent on Research and Evaluation Investment for new courses.

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2021 £**	Total fund 2020 £
Facilities and support costs – admin	185,422	361,597	**547,019**	609,386
Education-related costs	783,691	–	**783,691**	802,681
Governance costs	–	9,817	**9,817**	13,207
	969,113	371,414	**1,340,527**	1,425,274

11. Analysis of support costs

	Analysis of support costs activity 1 £	**Total 2021 £**	Total 2020 £
Staff costs	198,483	**198,483**	203,951
General office costs	64,886	**64,886**	79,659
Finance costs	13,087	**13,087**	14,058
Governance costs	9,819	**9,819**	13,209
Travel and accommodation	5,846	**5,846**	17,486
Publicity	38,089	**38,089**	33,044
Event costs	309	**309**	3,922
Depreciation	28,274	**28,274**	29,214
Professional costs and sundries	12,621	**12,621**	14,646
	371,414	**371,414**	409,189

12. Net gains/(losses) on investments

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on other investment assets	1,079	**1,079**	(9,978)	(9,978)

13. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	**28,274**	29,213
Foreign exchange differences	**291**	(156)

Also included within expenditure are bursaries and scholarships of £91,945 (2020: £66,743), of which £50,085 (2020: £56,409) was paid from restricted funds, and operating lease payments of £11,245 (2020: £13,351).

14. Auditors' remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	**6,000**	7,000
Fees payable to the charity's auditor and its associates for other services:		
Audit-related assurance services	**3,000**	3,240
Taxation advisory services	**240**	240
	3,240	3,480

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	**658,123**	717,595
Social security costs	**44,666**	52,104
Employer contributions to pension plans	**18,039**	19,536
	720,828	789,235

The average head count of employees during the year was 24 (2020: 27). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Academic	**9**	10
Student support	**3**	3
Administration	**6**	6
Chaplaincy	**1**	1
Housekeeping	**1**	1
Library	**1**	1
Manchester Wesley Research Centre	**1**	1
Maintenance	**1**	1
Publicity and recruitment	**1**	1
	24	25

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

		2021	2020
		£	£
Salary of Principal	Salary	**39,409**	34,591
Pension of Principal	Pensions	**1,182**	1,008
	Other taxable benefits	**–**	–
Totals		**40,591**	35,599

This remuneration package is in line with others in the School of Theology sector and is in line with value and performance delivered. The performance is reviewed annually by the Board of Governors and the remuneration is set by the Board of Governors, having due consideration to performance and sector wide factors.

i. The head of the providers' basic salary is 1.7 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

ii. The head of the providers' total remuneration is 1.3 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

16. Trustee remuneration and expenses

Mr A Graystone, the former chair, received remuneration of £825 (2020: £825), which was authorised as it was in his capacity as a visiting lecturer.

Mr A Hollingworth, who was a trustee for part of the year, received £150 (2020: £nil), which was authorised as it was in his capacity as a financial consultant.

17. Transfers between funds

£1,196 was transferred from the general fund to the scholarship fund during the year.

18. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	**Total £**
Cost				
At 1 July 2020 and 30 June 2021	2,294,885	192,701	28,827	**2,516,413**
Depreciation				
At 1 July 2020	348,829	157,202	28,827	**534,858**
Charge for the year	22,949	5,325	–	**28,274**
At 30 June 2021	371,778	162,527	28,827	**563,132**
Carrying amount				
At 30 June 2021	1,923,107	30,174	–	**1,953,281**
At 30 June 2020	1,946,056	35,499	–	1,981,555

19. Investments

	Listed investments £	Investment properties £	**Total £**
Cost or valuation			
At 1 July 2020	2,250	108,000	**110,250**
Additions	–	–	**–**
Fair value movements	1,080	–	**1,080**
At 30 June 2021	3,330	108,000	**111,330**
Impairment			
At 1 July 2020 and 30 June 2021			**–**
Carrying amount			
At 30 June 2021	3,330	108,000	**111,330**
At 30 June 2020	2,250	108,000	110,250

All investments shown above are held at valuation.

Investment properties

The investment property was revalued on 26 November 2019 by HWM Surveyors Limited.

Financial assets held at fair value

Investments in listed shares are stated at their market value at the balance sheet date.

20. Debtors

	2021 £	2020 £
Trade debtors	**125,981**	149,657
Prepayments and accrued income	**48,279**	52,946
	174,260	202,603

21. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	**14,167**	14,167
Trade creditors	**27,958**	25,019
Accruals and deferred income	**44,919**	50,390
Other creditors	**1,822**	6,367
Income received in advance	**14,028**	13,897
	102,894	109,840

22. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	**180,306**	194,752
Other creditors	**100,000**	–
	280,306	194,752

The loans are secured by a first legal charge over the charity's property at Dene House, Didsbury, which is included in the accounts at a net book value of £1,923,107.

Included within creditors: amounts falling due after more than one year is an amount of £114,307 (2020: £128,751) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Mortgage payments falling due after more than five years are due to be paid in instalments of £1,893 per month, including interest at the rate applicable at the time.

23. Pensions and other post retirement benefits

The amount recognised in expenditure as an expense in relation to defined contribution plans was £18,039 (2020: £19,536).

Pension costs are attributed to the activities in which those employees for whom they relate are engaged.

24. Analysis of charitable funds

Unrestricted funds

	At 1 Jul 2020	Income	Expenditure	Transfers	Gains and losses	At 30 Jun 2021
	£	£	£	£	£	£
Unrestricted funds	2,367,791	1,432,111	(1,273,633)	(1,196)	1,079	**2,526,152**

	At 1 Jul 2019	Income	Expenditure	Transfers	Gains and losses	At 30 Jun 2020
	£	£	£	£	£	£
Unrestricted funds	2,280,739	1,474,463	(1,377,433)	–	(9,978)	2,367,791

24. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jul 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Jun 2021 £
Student Scholarship Fund	178,747	46,080	(40,086)	1,196	–	**185,937**
Development Fund	127,942	34,467	(16,877)	–	–	**145,532**
Scottish School of Christian Mission	40,370	2,957	(10,000)	–	–	**33,327**
	347,059	83,504	(66,963)	1,196	–	**364,796**

	At 1 Jul 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Jun 2020 £
Student Scholarship Fund	156,195	54,252	(31,699)	–	–	178,747
Development Fund	81,012	53,543	(6,613)	–	–	127,942
Scottish School of Christian Mission	50,370	–	(10,000)	–	–	40,370
	287,577	107,795	(48,312)	–	–	347,059

Restricted funds represent monies to be used for the following specific purposes:

The Student Scholarship Fund is made up of individual donations with specific instructions how the money should be used, according to the wishes of the individual donors.

The Development Fund represents donations made to the annual Principal's Project and expenditure relating thereto.

The Scottish School of Christian Mission Fund represents monies received from that institution when its work was incorporated into that of the Nazarene Theological College, to be used for student bursaries only.

25. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2021**
	£	£	**£**
Tangible fixed assets	1,877,120	76,161	**1,953,281**
Investments	111,330	–	**111,330**
Current assets	896,795	312,742	**1,209,537**
Creditors less than 1 year	(78,787)	(24,107)	**(102,894)**
Creditors greater than 1 year	(280,306)	–	**(280,306)**
Net assets	2,526,152	364,796	**2,890,948**

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Tangible fixed assets	1,904,615	76,940	1,981,555
Investments	110,250	–	110,250
Current assets	657,518	270,119	927,637
Creditors less than 1 year	(109,840)	–	(109,840)
Creditors greater than 1 year	(194,752)	–	(194,752)
Net assets	2,367,791	347,059	2,714,850

26. Analysis of changes in net debt

	At 1 Jul 2020	Cash flows	**At 30 Jun 2021**
	£	£	**£**
Cash at bank and in hand	725,034	310,243	**1,035,277**
Debt due within one year	(20,534)	4,545	**(15,989)**
Debt due after one year	(194,751)	14,445	**(180,306)**
	509,749	329,233	**838,982**

27. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	**2,056**	426
Later than 1 year and not later than 5 years	**19,446**	22,159
	21,502	22,585

28. Other financial commitments

It is intended that roof repairs expecting to cost in the region of £120,000 will be carried out during the year ended 30 June 2022. Initial work began on this in July 2021, but no formal contract has been entered into.

29. Related parties

Unrestricted donations of £5,000 (2020: £3,120) were received from trustees during the year. Income of £9,608 (2020: £42,110) was received from the Church of the Nazarene British Isles Southern District, of which Reverend C McCann is also a trustee. Income of £16,079 (2020: £13,425) was received from the Church of the Nazarene British Isles Northern District, of which Revd R Turner is also a trustee.

RESOURCES EXPENDED

	Cost of generating funds	Education	Facilities costs	Support costs	Governance	**Total 2021**	Total 2020
	£	£	£	£	£	£	£
Staff Costs	-	483,105	39,240	198,483	-	**720,828**	789,235
Premises	-	-	146,182	-	-	**146,182**	166,900
Administration	69	208,641	-	134,838	9,819	**353,367**	373,653
Bursaries	-	91,945	-	-	-	**91,945**	66,743
Depreciation	-	-	-	28,274	-	**28,274**	29,214
Total resources Expended	69	783,691	185,422	361,595	9,819	**1,340,596**	1,425,745
Total resources expended 2020	471	802,681	213,404	395,980	13,209	1,425,745	