

**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 1<sup>st</sup> July 2020 to 30<sup>th</sup> 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.**

	<b>Name of Trustee</b>	<b>Position on Governors</b>	<b>Term</b>	<b>Body of Appointment</b>
1.	Mr. Ian Burleigh	Vice Chair Executive member  Member at large	Jan 26 <sup>th</sup> 2019-Jan 2022	National Board Appointee: section 3
2.	Mr Steven Leach	Secretary Executive member  Member at large	Jan 26 <sup>th</sup> 2019- Jan 2022	National Board Appointee: Section 3
3.	Rev. Carl McCann	Executive member Ex officio	April 17 <sup>th</sup> 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 18 <sup>th</sup> 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 17 <sup>th</sup> 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 17 <sup>th</sup> 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 17 <sup>th</sup> 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.

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8.	Rev. Osahon Jeremie Ogbewei	District elder representative	April 17 <sup>th</sup> 2021-2024	<b>British Isles South District</b> 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 14 <sup>th</sup> 2020-July 2021 (resigned due to appointment as consultant)	<b>British Isles South District</b> 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 17 <sup>th</sup> 2021-2024	<b>British Isles South District</b> 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 26 <sup>th</sup> 2019- Jan 2021 (extended to Jan 2022 due to Covid)	<b>National Board Appointee: Section 3</b>
12.	Rev. Arthur Snjiders Netherlands	Member at large	November 28 <sup>th</sup> 2020-2023	<b>National Board Appointee: Section 3</b>

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 17 <sup>th</sup> 2021-2024	Board of Governors Section 5
3.	Mrs. Rosemary Arnold Knights	Board co-option	November 28 <sup>th</sup> 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



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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 27 <sup>th</sup>	Student Body: Section 4
6.	Mr Tim Geddes	Student Body President	April 27 <sup>th</sup> 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 17 <sup>th</sup> 2021
Revd Lynn McLean-Birkinshaw	Completed her term of office April 17 <sup>th</sup> 2021
Mr. Chris Ross	Completed his term of office April 17 <sup>th</sup> , 2021
Mr. David Davies	Completed his term of office April 17 <sup>th</sup> , 2021
Rev. Karl Stanfield	National Board election January 2019-2020 Extended due to Covid-19 until April 17 <sup>th</sup> , 2021
Rev. Nathan Payne	Completed his term of office April 17 <sup>th</sup> 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)

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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](http://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

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**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.

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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 of 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

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- 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.

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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 serviced 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

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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.



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**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 30<sup>th</sup> June 2022 have been based on the previous year's income and expenditure (year ended 30<sup>th</sup> 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.



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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.

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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,

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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

**Nazarene Theological College**  
**Report of the Board of Governors**  
**For the year ended 30 June 2021**

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 21<sup>st</sup> 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.

**Nazarene Theological College**  
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**For the year ended 30 June 2021**

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.

**Nazarene Theological College**  
**Report of the Board of Governors**  
**For the year ended 30 June 2021**

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.



**Nazarene Theological College**  
**Report of the Board of Governors**  
**For the year ended 30 June 2021**

**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

19<sup>th</sup> 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.



# **Nazarene Theological College**

## **Independent Auditor's Report to the Members of Nazarene Theological College** (continued)

**Year ended 30 June 2021**

### **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.

# **Nazarene Theological College**

## **Independent Auditor's Report to the Members of Nazarene Theological College** (continued)

**Year ended 30 June 2021**

### **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, their 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.

# **Nazarene Theological College**

## **Independent Auditor's Report to the Members of Nazarene Theological College** (continued)

### **Year ended 30 June 2021**

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 and 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.

# **Nazarene Theological College**

## **Independent Auditor's Report to the Members of Nazarene Theological College** *(continued)*

**Year ended 30 June 2021**

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.



Parkgates  
Bury New Road  
Prestwich  
Manchester  
Lancashire  
M25 0JW

1 April 2022

B Fine FCA (Senior Statutory Auditor)

For and on behalf of  
Alexander Bursk Limited  
Accountants & statutory auditor

# Nazarene Theological College

## Statement of Financial Activities

Year ended 30 June 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	4	210,097	83,153	<b>293,250</b>	279,154
Charitable activities	5	1,024,248	—	<b>1,024,248</b>	1,112,636
Investment income	6	2,742	351	<b>3,093</b>	3,760
Other income	7	195,024	—	<b>195,024</b>	186,708
<b>Total income</b>		<u>1,432,111</u>	<u>83,504</u>	<u><b>1,515,615</b></u>	<u>1,582,258</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	69	—	<b>69</b>	471
Expenditure on charitable activities	9,10	1,273,564	66,963	<b>1,340,527</b>	1,425,274
<b>Total expenditure</b>		<u>1,273,633</u>	<u>66,963</u>	<u><b>1,340,596</b></u>	<u>1,425,745</u>
Net gains/(losses) on investments	12	1,079	—	<b>1,079</b>	(9,978)
<b>Net income</b>		<u>159,557</u>	<u>16,541</u>	<u><b>176,098</b></u>	<u>146,535</u>
Transfers between funds		(1,196)	1,196	—	—
<b>Net movement in funds</b>		<u>158,361</u>	<u>17,737</u>	<u><b>176,098</b></u>	<u>146,535</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		2,367,791	347,059	<b>2,714,850</b>	2,568,315
<b>Total funds carried forward</b>		<u>2,526,152</u>	<u>364,796</u>	<u><b>2,890,948</b></u>	<u>2,714,850</u>

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 £
<b>Balance at 1 July 2019</b>	<u>2,280,739</u>	<u>287,576</u>	<u>2,568,315</u>
Net Income for the year ended 30 June 2020	87,052	59,483	146,535
Other comprehensive income / (expense)	<u>—</u>	<u>—</u>	<u>—</u>
Total comprehensive income / (expense) for the year ended 30 July 2020	87,052	59,483	146,535
Transfer	<u>—</u>	<u>—</u>	<u>—</u>
<b>Balance at 30 June 2020</b>	<u>2,367,791</u>	<u>347,059</u>	<u>2,714,850</u>
Net Income for year ended 30 June 2021	159,557	16,541	176,098
Other comprehensive income / (expense)	<u>—</u>	<u>—</u>	<u>—</u>
Total comprehensive income / (expense) for the year ended 30 June 2021	159,557	16,541	176,098
Transfer	<u>(1,196)</u>	<u>1,196</u>	<u>—</u>
<b>Balance at 30 June 2021</b>	<u>2,526,152</u>	<u>364,796</u>	<u>2,890,948</u>

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 £
<b>Fixed assets</b>			
Tangible fixed assets	18	1,953,281	1,981,555
Investments	19	111,330	110,250
		<u>2,064,611</u>	<u>2,091,805</u>
<b>Current assets</b>			
Debtors	20	174,260	202,603
Cash at bank and in hand		1,035,277	725,034
		<u>1,209,537</u>	<u>927,637</u>
<b>Creditors: amounts falling due within one year</b>	21	<u>102,894</u>	<u>109,840</u>
<b>Net current assets</b>		<u>1,106,641</u>	<u>817,797</u>
<b>Total assets less current liabilities</b>		<u>3,171,252</u>	<u>2,909,602</u>
<b>Creditors: amounts falling due after more than one year</b>	22	<u>280,306</u>	<u>194,752</u>
<b>Net assets</b>		<u>2,890,948</u>	<u>2,714,850</u>
<b>Funds of the charity</b>			
Restricted funds		364,796	347,059
Unrestricted funds		2,526,152	2,367,791
<b>Total charity funds</b>	24	<u>2,890,948</u>	<u>2,714,850</u>

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 £
<b>Cash flows from operating activities</b>		
Net income	176,098	146,535
<i>Adjustments for:</i>		
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
<i>Changes in:</i>		
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
<b>Cash flows from investing activities</b>		
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)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(18,990)	(10,794)
Net cash used in financing activities	(18,990)	(10,794)
<b>Net increase in cash and cash equivalents</b>	310,243	101,323
<b>Cash and cash equivalents at beginning of year</b>	725,034	623,711
<b>Cash and cash equivalents at end of year</b>	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.

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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.

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

**Year ended 30 June 2021**

### **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.

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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 £
<b>Donations</b>			
Donations	<u>210,097</u>	<u>83,153</u>	<u>293,250</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Donations	<u>172,145</u>	<u>107,009</u>	<u>279,154</u>

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fees	943,373	<b>943,373</b>	988,934	988,934
Bookshop sales	422	<b>422</b>	600	600
Education services grants (KC)	51,209	<b>51,209</b>	53,557	53,557
District budgets	29,244	<b>29,244</b>	69,545	69,545
	<u>1,024,248</u>	<u><b>1,024,248</b></u>	<u>1,112,636</u>	<u>1,112,636</u>

### 5a. Disclosure on Grant and Fee income

	2021 £	2020 £
Grant Income from OfS	<b>20,156</b>	26,511
Grant Income from other Bodies	—	—
Fee Income from taught awards	<b>504,324</b>	530,076
Fee Income from research awards	<b>404,361</b>	411,823
Fee Income from non-qualifying courses	<b>34,688</b>	47,035
Total grant and fee income	<u><b>963,529</b></u>	<u>1,015,445</u>

### 6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Income from investment properties	2,640	—	<b>2,640</b>
Bank interest receivable	80	351	<b>431</b>
Other investment income	22	—	<b>22</b>
	<u>2,742</u>	<u>351</u>	<u><b>3,093</b></u>

	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
	<u>2,974</u>	<u>786</u>	<u>3,760</u>

### 7. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Lettings and commissions	137,427	<b>137,427</b>	141,495	141,495
Employer's allowance and JRS income	57,597	<b>57,597</b>	44,492	44,492
Other income	—	—	721	721
	<u>195,024</u>	<u><b>195,024</b></u>	<u>186,708</u>	<u>186,708</u>

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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
	<u>1,273,564</u>	<u>66,963</u>	<u>1,340,527</u>

	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
	<u>1,376,962</u>	<u>48,312</u>	<u>1,425,274</u>

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
	<u>969,113</u>	<u>371,414</u>	<u>1,340,527</u>	<u>1,425,274</u>

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 11. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2021 £	Total 2020 £
Staff costs	198,483	<b>198,483</b>	203,951
General office costs	64,886	<b>64,886</b>	79,659
Finance costs	13,087	<b>13,087</b>	14,058
Governance costs	9,819	<b>9,819</b>	13,209
Travel and accommodation	5,846	<b>5,846</b>	17,486
Publicity	38,089	<b>38,089</b>	33,044
Event costs	309	<b>309</b>	3,922
Depreciation	28,274	<b>28,274</b>	29,214
Professional costs and sundries	12,621	<b>12,621</b>	14,646
	<u>371,414</u>	<u><b>371,414</b></u>	<u>409,189</u>

### 12. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on other investment assets	<u>1,079</u>	<u><b>1,079</b></u>	<u>(9,978)</u>	<u>(9,978)</u>

### 13. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<b>28,274</b>	29,213
Foreign exchange differences	<u><b>291</b></u>	<u>(156)</u>

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	<u><b>6,000</b></u>	<u>7,000</u>
Fees payable to the charity's auditor and its associates for other services:		
Audit-related assurance services	<b>3,000</b>	3,240
Taxation advisory services	<u><b>240</b></u>	<u>240</u>
	<u><b>3,240</b></u>	<u>3,480</u>

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

### Year ended 30 June 2021

#### 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
	<u>720,828</u>	<u>789,235</u>

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
	<u>24</u>	<u>25</u>

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		<u>40,591</u>	<u>35,599</u>

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.

- 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.
- 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.



# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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 £
<b>Cost</b>				
At 1 July 2020 and 30 June 2021	<u>2,294,885</u>	<u>192,701</u>	<u>28,827</u>	<u>2,516,413</u>
<b>Depreciation</b>				
At 1 July 2020	348,829	157,202	28,827	<b>534,858</b>
Charge for the year	<u>22,949</u>	<u>5,325</u>	<u>—</u>	<u>28,274</u>
At 30 June 2021	<u>371,778</u>	<u>162,527</u>	<u>28,827</u>	<u>563,132</u>
<b>Carrying amount</b>				
At 30 June 2021	<u>1,923,107</u>	<u>30,174</u>	<u>—</u>	<u>1,953,281</u>
At 30 June 2020	<u>1,946,056</u>	<u>35,499</u>	<u>—</u>	<u>1,981,555</u>

### 19. Investments

	Listed investments £	Investment properties £	Total £
<b>Cost or valuation</b>			
At 1 July 2020	2,250	108,000	<b>110,250</b>
Additions	—	—	—
Fair value movements	<u>1,080</u>	<u>—</u>	<u>1,080</u>
At 30 June 2021	<u>3,330</u>	<u>108,000</u>	<u>111,330</u>
<b>Impairment</b>			
At 1 July 2020 and 30 June 2021			<u>—</u>
<b>Carrying amount</b>			
At 30 June 2021	<u>3,330</u>	<u>108,000</u>	<u>111,330</u>
At 30 June 2020	<u>2,250</u>	<u>108,000</u>	<u>110,250</u>

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	<b>125,981</b>	149,657
Prepayments and accrued income	<u>48,279</u>	<u>52,946</u>
	<u>174,260</u>	<u>202,603</u>

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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
	<u>102,894</u>	<u>109,840</u>

### 22. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	180,306	194,752
Other creditors	100,000	—
	<u>280,306</u>	<u>194,752</u>

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	<u>2,367,791</u>	<u>1,432,111</u>	<u>(1,273,633)</u>	<u>(1,196)</u>	<u>1,079</u>	<u>2,526,152</u>

	At 1 Jul 2019	Income	Expenditure	Transfers	Gains and losses	At 30 Jun 2020
	£	£	£	£	£	£
Unrestricted funds	<u>2,280,739</u>	<u>1,474,463</u>	<u>(1,377,433)</u>	<u>—</u>	<u>(9,978)</u>	<u>2,367,791</u>

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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	—	<b>185,937</b>
Development	127,942	34,467	(16,877)	—	—	<b>145,532</b>
Fund						
Scottish School of	40,370	2,957	(10,000)	—	—	<b>33,327</b>
Christian Mission	<u>347,059</u>	<u>83,504</u>	<u>(66,963)</u>	<u>1,196</u>	<u>—</u>	<u><b>364,796</b></u>
	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	81,012	53,543	(6,613)	—	—	127,942
Fund						
Scottish School of	50,370	—	(10,000)	—	—	40,370
Christian Mission	<u>287,577</u>	<u>107,795</u>	<u>(48,312)</u>	<u>—</u>	<u>—</u>	<u>347,059</u>

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.

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### 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)
<b>Net assets</b>	<b>2,526,152</b>	<b>364,796</b>	<b>2,890,948</b>

	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)
<b>Net assets</b>	<b>2,367,791</b>	<b>347,059</b>	<b>2,714,850</b>

### 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)
	<b>509,749</b>	<b>329,233</b>	<b>838,982</b>

### 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
	<b>21,502</b>	<b>22,585</b>

### 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.

# Nazarene Theological College

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

### RESOURCES EXPENDED

	Cost of generating funds	Education	Facilities costs	Support costs	Governance	Total 2021	Total 2020
	£	£	£	£	£	£	£
<b>Staff Costs</b>	-	483,105	39,240	198,483	-	<b>720,828</b>	789,235
<b>Premises</b>	-	-	146,182	-	-	<b>146,182</b>	166,900
<b>Administration</b>	69	208,641	-	134,838	9,819	<b>353,367</b>	373,653
<b>Bursaries</b>	-	91,945	-	-	-	<b>91,945</b>	66,743
<b>Depreciation</b>	-	-	-	28,274	-	<b>28,274</b>	29,214
<b>Total resources Expended</b>	69	783,691	185,422	361,595	9,819	<b>1,340,596</b>	1,425,745
<b>Total resources expended 2020</b>	471	802,681	213,404	395,980	13,209	1,425,745	