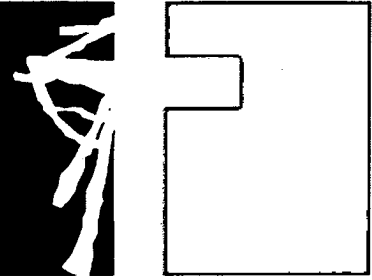


**The Queen's  
Foundation**

FOR ECUMENICAL THEOLOGICAL EDUCATION



**THE QUEEN'S FOUNDATION  
FOR ECUMENICAL THEOLOGICAL EDUCATION**

**ANNUAL REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**(A Company limited by guarantee not having a share capital)**

**Company Registration No 05511503**

**Charity Registration No 1111892**

THURSDAY



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**ANNUAL REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**CONTENTS**

	Page No
Administrative information	1-2
Report of the Governors	3 - 7
Report of the Auditors	8 - 9
Statement of Financial Activities (including Summary income and expenditure account)	10
Balance Sheet	11
Statement of cash flows	12
Notes to the Financial Statements	13 - 23

## GOVERNORS 2016-17

- C Revd Kenneth Howcroft (appointed June 2015)  
 C Revd Phyllis Thompson (appointed Nov 2013 retired June 2017)  
 C Mr John Bell (appointed January 2014, re-elected June 2017)  
 C Mrs Ruby Beech (appointed June 2015, resigned June 2017)  
 C The Ven Simon Heathfield (appointed June 2015)  
 C Mrs Marilyn Hull (appointed 16 June 2016)  
 C Mrs Julia Tozer (appointed 16 June 2016)  
 C Dr Paul Stewart (appointed 16 June 2016)
- N The Rt. Revd Mark Rylands BA (appointed June 2014, retired June 2017)  
 N Dr Rachel Jepson (appointed Dec 2012, re-elected June 2016)  
 (Nominee of the General Synod)  
 N The Revd Dr Stephen Wigley MA, MPhil, PhD (appointed Dec 2012, re-elected June 2017)  
 N The Revd Dr Liz Smith (appointed Jan 2014, re-elected June 2017)
- Key:  
 C Co-opted Governors  
 N Nominated Governors

### Auditors

JW Hinks LLP  
 19 Highfield Road  
 Edgbaston  
 Birmingham B15 3BH

### Bankers

Bank of Scotland  
 55 Temple Row  
 Birmingham  
 B2 5LS

### Solicitors

Anthony Collins  
 134 Edmund Street  
 Birmingham  
 B3 2ES

The Queen's Foundation for Ecumenical Theological Education  
 Somerset Road, Edgbaston, Birmingham, B15 2QH  
 a company limited by guarantee, Company Registration Number 05511503  
 incorporating a charity administered by a Charity Commissioners Scheme  
 regulated by The Charity Commissioners for England and Wales  
 Registered Charity Number 1111892  
 Registered Company Number 05511503

## FOUNDATION STAFF 2016-17

### Principal

The Revd Canon Dr David Hewlett BA, PhD, Durham University  
(*Anglican & Methodist*)

### Academic Director

Dr David Allen BA, MA, MCS, PhD University of Cambridge; Regent College Vancouver; University of Edinburgh.

### Co-Director of The Centre for Ministerial Formation

The Revd Dr Jane Craske BA, PhD University of Durham  
(*Methodist*)

### Co-Director of The Centre for Ministerial Formation

The Revd Mark Earey BA (Hons), BSc (Hons) Cert Theology Loughborough University; Durham University  
(*Anglican*)

### Lecturers

Deacon Eunice Attwood Mth, Chester College  
(*Methodist*)

Dr Ashley Cocksworth, M.A., M.Th. (Edinburgh), Ph.D. (Trinity College, Cambridge)  
(*Anglican*)

The Revd Gary Hall MA MPhil PGCE Pembroke College Cambridge, Birmingham University  
(*Methodist*)

The Revd Samuel McBratney  
(*Methodist*)

Dr Dulcie McKenzie, BA, PhD, Birmingham University  
(*Pentecostal*)

Mrs Fran Porter BA, PhD University of Ulster  
(*Anglican*)

Rev Dr Judith Rossall BA (Hons) ThM (Duke University) PhD (Durham University)  
(*Methodist*)

Deacon Kerry Scarlett, MA, Newman University  
(*Methodist*)

Dr Nicola Slee MA, PhD; Selwyn College Cambridge, University of Birmingham  
(*Anglican*)

Ms Helen Stanton  
(*Catholic & Anglican*)

Revd Jeanette Hartwell PhD, Birmingham University  
(*Anglican*)

The Revd Simon Sutcliffe BA, MA University of Manchester  
(*Methodist*)

Rachel Starr BA (Hons), STM; University of Oxford, Union Theological Seminary City of New York, ThD, Instituto Universitario ISEDET, Buenos Aires  
(*Methodist*)

Revd Dr Richard Sudworth LLB (Hons), MTh, PhD; University of Leeds, University of Lampeter, Heythrop College - University of London  
(*Anglican*)

Dr Andrew Hayes MA, MSc, PhD University of Edinburgh  
(*Presbyterian*)

Revd Paul Nzacahayo MBA, MTh, PhD University of Edinburgh  
(*Methodist*)

Dr Jonathan Dean MA, PhD Cambridge University  
(*Methodist*)

### Director of Finance

Paul D Bayliss MA ACA

## GOVERNORS' REPORT

The members of the board of Governors present their report together with the financial statements of The Queens Foundation for Ecumenical Theological Education for the year ended 31 August 2017. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a Directors report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 15 and comply with the charitable company's memorandum and articles, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS 102).

### President of Governor's Introduction

This has been a successful year of consolidation and continued development. Areas of academic quality and management include:

1. Following our very positive Higher Education Review process for Alternative Providers by the Quality Assurance Agency in March 2015 we have received a positive outcome of the annual monitoring and review process. The report describes us making "acceptable progress" against the action plan generated from the main review.
2. We have completed the introduction of the full range of undergraduate modules (Levels 4 – 6) for the Common Awards programmes in both full and part time modes and developed a Graduate Diploma and post graduate pathways.
3. We have positively reviewed the partnership with Newman University, have revalidated the BA and MA programme for 5 years.
4. We have consolidated our Partnership with VU University of Amsterdam:
  - a. By agreeing the financial relationship with them for support of research activities resulting from successful PhD completions.
  - b. By the creation of the professorship named as the Queen's Chair in Feminist Practical Theology with our Director of Research, Dr Nicola Slee, appointed as its holder. This is a significant indicator of the University's confidence in and respect for the quality of our research and scholarship, of the partnership that we share, and of Professor Slee's academic record.
5. We have successfully renewed our Tier 4 license and Trusted Sponsor status with the Home Office, passing our compliance assessment, and thereby enabling us to continue to sponsor students under the Tier 4 visa provision.
6. We have complied and received the designation 'credible' with all our data returns for the following areas:
  - a. The Higher Education Statistics Authority (HESA);
  - b. The National Students Survey (NSS);
  - c. The Destination of Leavers in Higher Education (DLHE).
7. We have held the second annual Queen's public lecture, in memory of Prof John Hull, given by Dr Alison Milbank on the 8<sup>th</sup> May 2017 at St John's Church, Harborne, on the theme "the Anglican Mission to Place".
8. We congratulate the Revd Dr Andrea Russell for her book on Richard Hooker and the Revd Dr Richard Sudworth for his book on *Distinctly Welcoming: Christian Presence in a Multi-Faith Society*; Dr Andrew Hayes for his book *Justin against Marcion: Defining the Christian Philosophy*; and Helen Stanton for her work on the Franciscans called *For Peace and For Good*.

The most significant campus development was the completion of a new residential accommodation and teaching block, now named as the Frances Young House. The new facilities are very impressive. The study



bedroom accommodation is very generous; the teaching facilities are excellent. It will be a first class house for students and a very welcome additional resource for Queen's to use.

### **Academic Staffing changes**

The Revd Sam McBratney left as Director of the Global Christianity programme and the Revd Dr Richard Sudworth left as a half time Anglican Tutor.

### **Administrative staff changes**

Ruth Scattergood, our Hospitality and Services Manager and Althia Gray, administrative secretary, left Queen's during the year. Kulwant Gil, who has worked part time as IT Technician for 15 years also completed his work. A review of the administrative team has led to the reshaping of posts, which have been filled by current personnel, and the creation of a new post of Campus and Facilities manager.

### **Governing Documents**

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30<sup>th</sup> June 2014. It is a charity, registered with the Charities Commission under a scheme dated June 2006 and for accounting purposes is unified with the Queen's Foundation for Ecumenical Theological Education, Permanent Endowment Trust, by an Order of the Commission issued on the same date. There are currently twelve members (Governors).

### **Appointment of Governors**

The governance of the Foundation is the responsibility of the Governors, 4 of whom are nominated and 10 of whom are co-opted. The 4 nominated Governors are nominated respectively by the General Synod of the Church of England, the Council of the Methodist Church (2 members), and the Church of England West Midlands Bishops. Existing Governors serve terms of appointment of 3 years. New appointments and reappointments are made for a term of 3 years.

The remaining Governors are co-opted according to appropriate skills and experience. Lists of suitable nominees are drawn up by the Governors, or a special sub committee appointed by the Governors and approached by the President of Governors to establish their willingness to serve. All appointments are subject to a vote of approval by the Governors for the time being. The Governors serve as directors of the limited company.

### **Trustee Training**

The Foundation arranges periodic training events for Governors.

### **Organisation**

The Governors in general meeting annually appoint one of their number to act as President of Governors.

The Governors have appointed a Finance Committee which oversees the Foundation's financial affairs and considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning. In order to reflect these wider areas of work the committee has been re-named as the Finance and General Purposes Committee. Other committees are appointed by the Governors from time to time to consider such specific matters as may be delegated by the Governors.

### **Key Management personnel**

The day to day operations of the Foundation are controlled and monitored by the leadership team which is comprised of the Principal, the Academic Director, the Directors of each of the Formation and Teaching centres and the Director of Finance. They meet very regularly to discuss current matters affecting all aspects of the Foundation.

The remuneration of academic staff is based on the Lichfield scale set out by the Archbishops Council of the Church of England and this is then subject to increments based on responsibility by individual job description. Pension contributions are made for the Leadership to either the church schemes to whom ordained ministers belong or to the Foundation defined benefit scheme at normal percentage rates.

## Risk Management

The Governors review the major risks to which the Foundation is exposed and systems have been established to manage these risks. Internal risks of control are minimised by the implementation of procedures for authorisation and monitoring of transactions, and potential external risks to the future levels of income and the ability to deliver satisfactory tuition to students are addressed by the Leadership team and the Governors on an annual basis.

The major risks facing the Foundation have been identified under the following headings:

- Possibility of financial misfeasance
- Loss of key academic and admin staff – including the Principal
- Withdrawal of student placements by our major Church partners
- Lack of governors with sufficient relevant expertise to sit on Board
- Ensuring satisfactory compliance with the increasingly rigorous Government and other University monitoring processes

All these areas are regularly reviewed by the Governors and every effort is made to ensure that the appropriate action is taken to mitigate the potential damage that these risks may give rise to.

This action includes

- a review of systems annually by the auditors and the finance committee of the Governors, cheque signatories scrutinising back up paperwork and segregation of duties wherever possible.
- Regular appraisal and monitoring of recruitment by the Principal, who regularly reports to the Governors, combined with frequent admin staff meetings to identify personnel issues and maintaining satisfactory recruitment levels to ensure staff are fully engaged.
- Development of website to ensure potential students are fully able to grasp benefits of study at the Foundation combined with active participation by key staff with Methodist Connexional Committees and reviews and processes.
- President and Principal and other governors regularly review Governor constitution and actively seek to identify potential new members of the board both locally and nationwide on an ongoing basis.
- Members of the administration team are provided with suitable staff development to ensure that they are fully aware with compliance procedures and staffing levels within the registry team are regularly reviewed to ensure that the increasing complex reporting requirements are handled well. Software systems are also regularly assessed to maintain adequate reporting and data handling processes.

## Objectives and activities

Under its Articles of Association the objects of the Foundation are:

- The provision of part time and full time training for ordination within their respective churches for members of such Christian denominations as the governors shall from time to time determine.
- The provision of such forms of theological education and training as the governors shall from time to time determine.
- *The promotion of research in theology and related subjects.*

The Governors are satisfied that the objectives, as stated, meet the public interest criteria of the Charities Act 2011.

## Relationships with the Churches

The fees of candidates for the ordained ministry are funded wholly or in part by the Church of England and the Methodist Church. Close working relationships are maintained on a formal basis through the nomination of Governors as described in a previous section of this Report and by the attendance of officers of these Churches at Governors' meetings. Informal contacts between officers of the Churches and the staff of the Foundation are maintained on a continuing basis. The Foundation's ecumenical ethos is also exemplified in the maintenance of relationships with other churches, especially through relationships with many Pentecostal churches.

## Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 13 to 15 and comply with the Foundation's governing documents and applicable law.

Normal activities resulted in a deficiency of £101,913 (2016, £106,301 (surplus)) before changes in investment values. Small increases in numbers of students resulted in slightly increased fee income. Most operating costs were held in line with expected activity and but maintenance charges were significantly higher than anticipated with substantial property repairs required during the year.

Investment values rose due to reasonable investment performance and the year-end valuation produced an unrealised profit on investments of £190,237 (2016, £164,790) this was split between unrestricted funds, £180,060 (2016, £155,918) and restricted funds, £10,177 (2016, £8,872). There were sales of investments of £100,000 during the year to fund capital projects.

The results of the actuarial valuation of the Church Worker's Pension Fund as at 31<sup>st</sup> December 2016 showed that our funding target of £1,239m was lower than our assets which were valued at £1,218m. No deficit payments were necessary during 2016/17. As a result of the valuation additional minor contributions of £3,553 per annum for 7 years will commence on 1 April 2018.

## Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted reserves as seem prudent at that time to meet unavoidable future liabilities. Restricted reserves also include funding donated to the Foundation under terms which require that the resources are identified separately in the institution's accounts.

The free reserves in total amount to £2,133,444 (2016, £1,986,074) which represent 10 months unrestricted operating expenditure. It has been the objective of the Governors to build these reserves up to a sum equal to 12 months unrestricted operating costs of the institution.

The endowment fund owns the leasehold of the campus as its principal asset and both fund and asset are reduced annually in line with depreciation of the leasehold land and buildings. The expectation is that both will be fully written down by the end of the lease in 2062.

## Plans for Future Periods

The business plan is reviewed by Governors throughout the year, the financial forecasting updated and further objectives defined and added within the overall scope of a balanced budget.

## Governors' Responsibilities

The Governors, who are also the directors of The Queens Foundation for Ecumenical Theological Education for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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



the charity will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Provision of information to auditors**

Insofar as the Governors are aware:

- There is no relevant audit information of which the company's auditors are unaware, and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

#### **Auditors**

JW Hinks LLP were appointed auditors during the year and they will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the governors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Revd Kenneth Howcroft  
President of Governors



Date 9 March 2018

## Independent Auditors' Report to the Members of The Queen's Foundation for Ecumenical Theological Education

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### Opinion

We have audited the financial statements of The Queen's Foundation for Ecumenical Theological Education (the 'charitable company') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

#### Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on page 6, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

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.



Peter Smith ACA Senior Statutory Auditor  
For and on behalf of  
JW Hinks LLP, Statutory Auditor  
19 Highfield Road  
Edgbaston  
Birmingham  
B15 2BH

Date: 9 March 2018

**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31st AUGUST 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total £	2016 Total £
<b>INCOME</b>						
Tuition Fees & Accommodation Charges	13	2,003,577	-	-	2,003,577	1,903,783
Investment Income	4	78,135	3,296	-	81,431	87,622
Grants and Donations	5	186,513	0	-	186,513	440,125
<b>TOTAL INCOME</b>		<b>2,268,225</b>	<b>3,296</b>	<b>-</b>	<b>2,271,521</b>	<b>2,431,529</b>
<b>EXPENDITURE</b>						
<b>Charitable activities</b>						
Costs of Providing Education	14	2,200,253	39,746	133,435	2,373,434	2,325,228
<b>TOTAL EXPENDITURE</b>		<b>2,200,253</b>	<b>39,746</b>	<b>133,435</b>	<b>2,373,434</b>	<b>2,325,228</b>
Unrealised gains on investments	6	180,060	10,177	-	190,237	164,790
Realised gains on investments	6	9,059	-	-	9,059	17,241
<b>NET INCOME/(EXPENDITURE) being net movement in funds</b>		<b>257,091</b>	<b>(26,273)</b>	<b>(133,435)</b>	<b>97,383</b>	<b>288,332</b>
<b>Reconciliation of funds:</b>						
Funds brought forward at 1st September 2016		3,161,454	642,368	834,709	4,638,531	4,350,199
<b>Funds carried forward at 31st August 2017</b>	10, 11, 12	<b>3,418,545</b>	<b>616,095</b>	<b>701,274</b>	<b>4,735,914</b>	<b>4,638,531</b>

All income and expenditure derive from continuing activities.

**SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2017**

	2017 £	2016 £
Income	2,190,090	2,343,907
Gains on investments	199,296	182,031
Interest and investment income	81,431	87,622
<b>Gross income</b>	<b>2,470,817</b>	<b>2,613,560</b>
Expenditure	(2,124,702)	(2,113,648)
Depreciation and impairment charges	(248,732)	(211,580)
<b>Total expenditure</b>	<b>(2,373,434)</b>	<b>(2,325,228)</b>
<b>Net income/(expenditure)</b>	<b>97,383</b>	<b>288,332</b>

The notes on pages 13 to 23 form part of these financial statements.

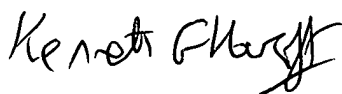
BALANCE SHEET AS AT 31st AUGUST 2017  
COMPANY NUMBER 05511503

		2017		2016	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	3	2,405,571		2,458,204	
Investments	6	2,174,346		2,065,422	
			<u>4,579,917</u>	<u>4,523,626</u>	
<b>CURRENT ASSETS</b>					
Debtors	7	235,680		207,633	
Short term Deposits		5,757		5,757	
Bank and Cash in hand		<u>382,205</u>		<u>392,171</u>	
		<u>623,642</u>		<u>605,560</u>	
<b>CREDITORS</b>					
Amounts falling due within 1 year	8	<u>(462,645)</u>		<u>(485,655)</u>	
<b>NET CURRENT ASSETS</b>			<u>160,997</u>	<u>119,905</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,740,914	4,643,531	
<b>CREDITORS</b>					
Amounts falling due after more than 1 year	9		(5,000)	(5,000)	
<b>NET ASSETS</b>			<u><u>4,735,914</u></u>	<u><u>4,638,531</u></u>	
<b>CHARITY FUNDS</b>					
Endowment			701,274	834,709	
Restricted	10		616,095	642,368	
Unrestricted (inc Designated Funds)	12		3,418,545	3,161,454	
<b>TOTAL CHARITY FUNDS</b>			<u><u>4,735,914</u></u>	<u><u>4,638,531</u></u>	

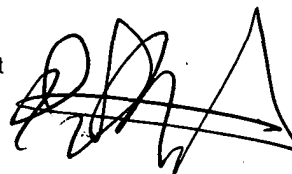
The notes on pages 13 to 23 form part of these financial statements.

These financial statements were approved by the Board of Governors on 9/3/2018 and are signed on their behalf by:

Ken Howcroft



Paul Stewart



The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2017

	Note	2017 £	2016 £
<b>Net Cashflow from operating activities</b>	18	<u>14,331</u>	<u>346,714</u>
<b>Property funds</b>			
Payments to acquire fixed assets		(196,099)	(322,333)
Payments to acquire investments		(9,628)	(7,388)
Receipts from sales of investments		100,000	260,000
Interest received		81,431	87,622
<b>Net cash flow from investing activities</b>		<u>(24,296)</u>	<u>17,901</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		(9,965)	364,615
<b>Cash and cash equivalents at 31 August 2016</b>		397,927	33,312
<b>Cash and cash equivalents at 31 August 2017</b>		<u>387,962</u>	<u>397,927</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		382,205	392,170
Short term deposits		5,757	5,757
<b>Cash and cash equivalents at 31 August 2017</b>		<u>387,962</u>	<u>397,927</u>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2017

### I ACCOUNTING POLICIES

#### a General information and basis of preparation

The Queen's Foundation For Ecumenical Theological Education is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision of theological education and training and the promotion of research in theology and related subjects.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Endowment funds represent grants, donations and legacies where the income may be used for general purposes but the capital must be retained.

#### c Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

**d Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**e Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land & Buildings - Leasehold	Nominal £10,000 for expiration of lease 4% on cost of major extensions and building works 10% on cost of refurbishments
Heating & plant	20% of cost
Motor vehicles	25% on cost written down to a minimum of £1
Audio visual equipment	33% on written down value or subsequent cost
Mowers & garden equipment	20% - 33% on cost
Computers	33% on cost
All other furniture & equipment	20% - 33% on written down value at 31.8.89 or subsequent cost

Individual fixed assets costing £500 or more are capitalised at cost.

**f Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

**g Stocks**

All sundry food and materials are written off in the year of purchase.

**h Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**i Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**j Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.



The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets if required. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

**k Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**l Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.



### 3 TANGIBLE FIXED ASSETS

Cost	Long Leasehold			Total £
	Land & Buildings £	Furniture & Equipment £	Heating & Plant £	
Balance at 1st September 2016	4,120,617	363,487	168,050	4,652,154
Additions	167,633	27,753	713	196,099
	<u>4,288,250</u>	<u>391,240</u>	<u>168,763</u>	<u>4,848,253</u>
<b>Accumulated depreciation</b>				
Balance at 1st September 2016	1,797,296	289,748	106,906	2,193,950
Charge for the year	213,978	21,551	13,203	248,732
	<u>2,011,274</u>	<u>311,299</u>	<u>120,109</u>	<u>2,442,682</u>
<b>Net book value</b>				
At 31st August 2017	<u>2,276,976</u>	<u>79,941</u>	<u>48,654</u>	<u>2,405,571</u>
At 31st August 2016	<u>2,323,321</u>	<u>73,739</u>	<u>61,144</u>	<u>2,458,204</u>

### 4 INVESTMENT INCOME

	2017 £	2016 £
Interest - Investment funds	51,881	60,457
Interest - Property funds	18,576	18,576
Interest - Fixed Interest Securities	1,057	1,146
Interest on cash deposits	289	55
Interest reinvested	9,628	7,388
	<u>81,431</u>	<u>87,622</u>

Of the above, £78,147 was unrestricted (2016: £84,214) and £3,284 was restricted (2016: £3,408).

### 5 GRANTS AND DONATIONS

	2017 £	2016 £
Methodist Church	176,922	414,262
St Boniface Trust (Mission)	1,203	961
United Friends of Queens	1,004	1,577
St Peters Saltley	3,665	-
Legacy	169	18,788
Grimmit Trust	3,500	3,500
Principal's Discretionary Fund	-	1,015
Other donations less than £1,000	50	22
	<u>186,513</u>	<u>440,125</u>

Of the above, £186,513 was unrestricted (2016: £439,110) and £0 was restricted (2016: £1,015).



**6 FIXED ASSET INVESTMENTS**

	2017 £	2016 £
Market value at 1st September 2016	2,065,422	2,136,003
Dividends received and reinvested	9,628	7,388
Purchase of Investments	-	-
Sale of Investments	(100,000)	(260,000)
Profit on sale/redemption of investments	9,059	17,241
Net unrealised profit on revaluation	190,237	164,790
Market value at 31st August 2017	<u>2,174,346</u>	<u>2,065,422</u>
Historical cost at 31st August 2017	<u>956,550</u>	<u>995,101</u>

The investments comprise of a portfolio of funds managed by CCLA Investment Management Ltd.

	2017 £	2016 £
Investments at market value comprise:		
Investment fund income shares	1,808,539	1,708,312
Property funds	338,312	328,062
Fixed interest securities fund income shares	27,495	29,048
	<u>2,174,346</u>	<u>2,065,422</u>

## 7 DEBTORS

	2017 £	2016 £
Debtors	195,436	177,397
Prepayments & Accrued Income	79,884	54,525
Provision for Doubtful Debts	(39,640)	(24,289)
	<u>235,680</u>	<u>207,633</u>

## 8 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade Creditors	106,956	249,617
Other Creditors	32,013	62,720
Tax & Social Security	23,715	23,634
Accruals & deferred income	299,961	149,685
	<u>462,645</u>	<u>485,655</u>

Included within other creditors is £22,936 (2016 - £41,359) held on behalf of third parties. These funds are included within investments and bank.

## 9 CREDITORS - AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Loan from the Methodist Church	5,000	5,000
CW Pension Fund Accrual	-	-
	<u>5,000</u>	<u>5,000</u>

The loan from the Methodist Church is to support the Research Centre. The loan is interest free.

The CW Pension Fund Account was paid over a period of 5 years beginning 1st April 2012. The actuarial valuation as at 31 December 2016 shows the fund attributable to The Queen's Foundation in surplus. Therefore no further deficit payments are due currently.

## 10 RESTRICTED FUNDS

	Movement in Funds			Balance 31/08/17 £
	Balance 01/09/16 £	Incoming Resources £	(Expenditure) & Gains £	
Consolidated Bursary Fund	96,234	3,285	10,177	109,696
Methodist Building Grants:				
Library Extension	328,924	-	(22,119)	306,805
New Building Refurbishment	115,600	-	(6,800)	108,800
Mission Centre Fund	98,136	-	(10,407)	87,729
Principal's Discretionary Fund	3,474	11	(420)	3,065
	<u>642,368</u>	<u>3,296</u>	<u>(29,569)</u>	<u>616,095</u>

The Bursary Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance & Operations to subsidise the costs of fees of deserving needy students.

The Methodist Library Fund provided for the extension of the existing library to house the book collection of the Selly Oak Centre for Mission Studies.

The New Building grant represents part cost of the refurbishment of living accommodation for international mission students.

The Mission Centre Fund comprises a share of the funds released by the winding up of the Selly Oak Colleges Endowment Fund and are available for appropriate projects.

The Principal's Discretionary Fund consists of a deposit and bank accounts set aside to support the living costs of needy students.

## 11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible Fixed Assets	1,285,101	419,196	701,274	2,405,571
Investments	2,073,181	101,165	-	2,174,346
Current Assets	527,908	95,734	-	623,642
Creditors - Within one year	(462,645)	-	-	(462,645)
- After one year	(5,000)	-	-	(5,000)
	<u>3,418,545</u>	<u>616,095</u>	<u>701,274</u>	<u>4,735,914</u>

NOTE : The Endowment Fund includes grants repayable on the dissolution of the College to :

The Central Board of Finance of the Church of England	150,400
The Trustees for Methodist Church Purposes	128,568
	<u>278,968</u>

The Restricted Fund includes grants repayable on the dissolution of the College to :

The Trustees for Methodist Church Purposes	<u>584,204</u>
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## 12 UNRESTRICTED FUNDS

### Designated Funds

	Balance 01/09/16 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Balance 31/08/17 £
AD 2062 Stephen Lloyd Fund	615,375	9,628	-	-	625,003
Research Fund	166,537	-	(21,128)	-	145,409
Church Workers' Pension Fund Liability	195,531	-	-	-	195,531
	<u>977,443</u>	<u>9,628</u>	<u>(21,128)</u>	<u>-</u>	<u>965,943</u>

The AD2062 Stephen Lloyd Fund is set up to provide resources for the renewal of the lease in 2062.

The Research Fund was set up when the assets of the Research Fellowship Trust were transferred to the Foundation and is created to support the objectives of research and research fellowships.

The Church Workers' Pension Fund liability is to provide cover for any future liability within this scheme following an actuarial valuation.

## 12 UNRESTRICTED FUNDS (Cont'd)

Unrestricted Funds	Balance 01/09/16 £	Incoming Resources £	Resources Expended £	Gains, (Losses) & Allocations £	Balance 31/08/17 £
Designated funds	977,443	9,628	(21,128)	-	965,943
Unrestricted Funds	2,184,011	2,258,597	(2,179,125)	189,119	2,452,602
	<b>3,161,454</b>	<b>2,268,225</b>	<b>(2,200,253)</b>	<b>189,119</b>	<b>3,418,545</b>

## 13 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2017 £	2016 £
<b>Student Fees</b>		
Centre for Ministerial Formation	1,640,132	1,463,032
Centre for Mission Studies	15,640	56,100
Non Residential tuition	130,228	168,027
Research Centre	15,487	40,827
	<u>1,801,487</u>	<u>1,727,986</u>
<b>Accommodation Charges</b>		
Married accommodation	100,240	99,336
Lettings of single rooms etc.	61,591	53,769
Conferences, guests etc.	40,259	22,692
	<u>202,090</u>	<u>175,797</u>
<b>Total Fees &amp; Accommodation Charges</b>	<u><u>2,003,577</u></u>	<u><u>1,903,783</u></u>

## 14 ANALYSIS OF CHARITABLE EXPENDITURE

	2017 £	2016 £
Academic & Library Costs	1,097,964	1,167,732
Administrative Costs (excluding Governance)	396,390	357,207
Catering Costs	189,077	209,249
Domestic Costs	54,480	60,592
Premises Costs	606,111	503,011
Governance Costs	29,412	27,436
	<u>2,373,434</u>	<u>2,325,228</u>

### 14a GOVERNANCE COSTS

	2017 £	2016 £
Salaries - operational staff	21,552	21,256
Audit fee	7,860	6,180
Auditors non audit fees	-	-
	<u>29,412</u>	<u>27,436</u>

## 15 STAFF EMOLUMENTS

	2017 £	2016 £
Salary Costs	1,124,235	1,116,474
National Insurance	86,404	87,422
Pension Costs	148,208	148,923
	<u>1,358,848</u>	<u>1,352,819</u>

No employee received emoluments, as defined for tax purposes of over £60,000 in either year.

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2017 FTE	2017 Number	2016 FTE	2016 Number
Academic and Library	19.0	21.0	19.5	25.0
Administrative and Others	17.8	24.0	19.0	21.0
	<u>38.5</u>	<u>45.0</u>	<u>38.5</u>	<u>46.0</u>

The total amount of employee benefits received by key management personnel is £277,417 (2016: £268,823).

## 16 AUDITORS REMUNERATION

	2017 £	2016 £
The auditors remuneration is comprised of: -		
Audit Fees	7,860	6,180
Other Services	-	-
	<u>7,860</u>	<u>6,180</u>

## 17 TRUSTEES REMUNERATION

Trustees received £258 for the reimbursement of travelling expenses during the year (2016: £551)

No trustee received any remuneration during the year (2016: £nil).

## 17a FINANCIAL COMMITMENTS

### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than one year	4,057	4,057
Later than one and not later than five years	5,011	9,434
Later than five years	-	-

## 18 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income/(expenditure) for the year	97,383	288,332
Interest receivable	(81,431)	(87,622)
Depreciation and impairment of tangible fixed assets	248,732	211,900
(Gains) on investments	(190,237)	(164,790)
(Profit) on disposal of fixed asset investments	(9,059)	(17,241)
(Increase) / decrease in debtors	(28,047)	(48,230)
Increase / (decrease) in creditors	(23,010)	164,365
<b>Net cash flow from operating activities</b>	<u>14,331</u>	<u>346,714</u>

## 19 PENSION COSTS

The Foundation contributes to non-contributory defined benefit schemes operated by the Church of England for ordained clergy (CEFPS) and non ordained employees (CWPF). Where appropriate the Foundation also contributes to the Methodist Ministers Pension Fund (MMPF), which is also a defined benefit scheme. For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Friends Life & Pensions Ltd (FL).

During the year the Foundation's contributions were:

	2017 £	2016 £
CEFPS	32,564	35,699
CWPF	16,846	17,285
MMPF	37,419	36,896
FL	61,379	56,701
	<u>148,208</u>	<u>146,581</u>

All three of the defined benefit schemes in place are accounted for as defined contribution schemes because sufficient information is not available to use defined benefit accounting.

### CEFPS

The CEFPS is a defined benefit scheme and considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme.

At the latest valuation on 31 December 2015, contributions were retained at a rate equivalent to 39.9% of stipends.

### CWPF

The Queens Foundation (DBS) participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers. The Foundation closed the scheme to new members in 2005.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been carried out as at 31 December 2016. In this valuation, the Foundations share of the underlying assets and liabilities was shown to be a deficit of £20,400. With effect from 1 April 2018 the Foundation will need to pay annual deficit contributions of £4,737.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay expenses of £4,500 per year.

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.



Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2013. This revealed, on the ongoing assumptions used, a surplus of £0.5m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. Pension Builder 2014 commenced in February 2014 so the first full valuation of that section will be carried out at the next CWPF valuation date, 31 December 2016.

#### MMPS

The most recent MMPS valuation, carried out at 1 September 2014, indicated that the scheme had a deficit. The Methodist Conference plans to recover by contributions of 9.8% of Stipends per annum over the period from 1 September 2015 to 31 December 2020. In addition, the fixed annual contribution of £1m per year from the Pension Reserve Fund will continue until the shortfall is eliminated.

#### **20 COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee and does not have a share capital. Each member liability is limited to a maximum of £1.

As at 31st August 2017 there were 12 members of the charitable company (2016: 12)

#### **21 RELATED PARTY TRANSACTIONS**

There were no related party transactions for the year ended 31 August 2017.