



The Queen's Foundation

THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

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

Company Registration No 05511503

Charity Registration No 1111892

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

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Governors 2024-25

Nominated Governors

- The Revd Philip Gough (Methodist), nominated by the Connexional Council of the Methodist Church in Britain (joined 13th March 2025)
- The Revd Deborah Caulk (Methodist), Circuit minister, The Fens Circuit (Nominated by the Methodist Council)
- Mr David Hermitt (Anglican), (Nominated by the General Synod)
- The Rt Revd Robert Springett (Anglican), Bishop of Tewkesbury (West Midlands Bishops' nominee)

Co-opted (Independent) Governors

- The Rt Rev Paul Bayes, (Anglican) President of the Governing Body
- The Revd Kenneth Howcroft (Methodist) Vice President of the Governing Body (resigned 17th July 2025)
- Revd Dr Claire Maxim (Anglican), Priest in Charge of North Tyne & Redesdale
- Mrs Mavis Jones (Wesleyan Holiness Church)
- Mrs Barbara Easton (Methodist) (resigned 17th July 2025)
- Canon Dr Sanjeevani Perera (Anglican)
- Mr Winston Weir (Anglican) (joined 17th July 2025)
- Dr Rachel Jepson (Anglican)
- Revd Dr Jonathan Pye (former Chair of the Bristol District of the Methodist Church)
- Bishop Dr Jonathan Jackson (Senior Minister & District Bishop in the Willesden New Testament Church of God)

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

STATEMENT OF CORPORATE GOVERNANCE

The members of the Board of Governors present their report together with the financial statements of The Queen's Foundation for Ecumenical Theological Education for the year ended 31 August 2025. 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 15 to 17 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 Governors Introduction

2024/ 2025 has been a significant year of transition in which we said farewell to former Principal, Prof Clive Marsh at the end of August 2024, and welcome in October 2025 to new Principal, the Rt Revd Anne Hollinghurst. Much gratitude must go to Clive for his dedicated work though a challenging period which included navigating the uncertainties of the Covid era, but also strengthening the position of Queen's within the wider sector of Higher Education. Grateful thanks are also due to Dr Dave Allen, Academic Dean and Vice Principal, who took on the role of Acting Principal for a short while until Anne's arrival.

Staff changes

Further significant changes to staffing have coincided with this new season in the life of the Foundation, especially as some members of our tutorial team were in the Methodist Church stationing process this last year. We've said goodbye to Revd Dr Jane Craske, Revd Dr Gary Hall, Revd Paul Nzacahayo, Deacon Dr Mel Beaven. The Revd Dr Catrin Harland-Davies has been appointed Director of Methodist Formation, the Revd Dr George Bailey has been appointed Oversight Tutor with responsibility for Methodist Probationer training, Deacon Angie Allport is taking a particular role in Diaconal Formation, and we have two new half-time Methodist tutors – the Revd Sylvester Deigh and Revd Dr Nicola Price-Tebbutt.

In terms of Anglican tutors, Revd Dr Allison Fenton took on a new parish appointment but continues to lead our important Neurodivergency Research Project (for which Queen's received funding (£118k over 4 years), from the Church of England (CoE)). Meanwhile, funding received through the C of E Racial Justice Board, (£648k over 5 years), enabled the secondment of Revd Dr Carlton Turner to lead the Racial Justice project (alongside his role as Deputy Director of Research) and, further to that, the appointment at Easter of a new half time Anglican Tutor, Revd Angela Sheard. The Revd Pat Lenton de Dickin was appointed as Anglican Tutor for Admissions, now also leading on set-up of the new Elizabeth Pathway. This latter part of her post is funded for two years by new CoE innovation funding that Queen's was granted (£50k over 2 years). It will involve establishing initial work and partnerships in relation to this new Pathway for older candidates for ordained ministry.

Other projects and developments

Over the last year we have had good sign up for our MA programmes, and through the Racial Justice project funding, we have been able to award a number of scholarships and bursaries encouraging more students from a UKME / GMH background to develop as theologians and potential theological educators. Our research and global partnerships work is thriving, with around 50 PhD students currently registered and more exploring the possibility of doctoral study. Important research projects are underway funded by the (Methodist) Westminster College Oxford Trust, including a unique project on a significant Black Churches Archive which we expect to have significant impact. Our effective delivery on these projects continues to strengthen our relationships with our partner churches and funding bodies.



Our Queen's Online programmes and Twelve:2 online platform represent another exciting and promising development for Queen's. Our not for credit programmes offer an innovative mode of "distance learning without the distance", combining asynchronous learning and tutor/cohort support through online gatherings. Take up for our newly launched first two programmes is encouraging.

Challenges

Alongside the good news stories, there are the wider challenges that we face within the context of the Higher Education sector and theological education sector in particular. Whilst we have been successful in increasing income in some areas, overall, the accounts reflect an increased loss due to a number of factors combining over the last year.

As theological education models gradually shift away from traditional full-time residential, and as numbers of part-time students and distance learners increase, we are currently sustaining a number of vacant flats / rooms. This factor has combined with external rents receivable being considerably below budget. This was precipitated through a decision from Calthorpe Estates to not allow external lets. In the immediate term, we are seeking to address this through repurposing some accommodation in other educational capacities and partnerships, at the same time as working on our strategic development plans to reshape campus usage according to the changing theological education landscape.

Our staff costs also rose due to NI changes, salary increases around University pay scales and the Lichfield Scale. In addition we are committed to being a Real Living Wage employer. Meanwhile professional and legal fees have been higher than anticipated due to necessary HR advice, and undertaking a review of our Catering services and contract (with a view to longer term savings), and a commissioned review of Property to enable future scoping of campus development. Maintenance costs came in over budget, due to necessary works post Quinquennial and energy bills remain high as we are not getting the benefit of lower prices yet following the Ukraine invasion and ongoing context.

In addition to the above, there was a time slip of a large grant donation into the 25/26 Academic Year which we were expecting in the 24/25 year. The above, combined with the performance of our investments over the last year, has meant a disappointing year financially, even as we have celebrated many new initiatives and developments.

Strategic Plans

In January 2025, the Board of Governors reviewed the previous strategic plan (last renewed in 2023). They noted the progress, but also began scoping what a more extensive strategy for change might look like given the rapidly changing HE and TEI environment. A comprehensive survey and report of the campus / college buildings was commissioned and some possibilities for working with Calthorpe Estates to better realise the use and value of the site are being considered. The Leadership Team, led by the Principal, have also begun re-working some of the internal structures of Foundation life so these might accommodate more adaptive ways of working and enable more flexible deployment of resources and staffing across the Foundation.

Partnerships are seen as key, with some new ones being explored and some previous ones being re-energised – such as that with the Diocese of Lichfield and their Reader training. Queen's continues to build on its pioneering programmes in Black Theology and Distance Learning, whilst also testing new sponsored pathways, (such as the Elizabeth Pathway), and working on a new MA for those engaged in Children and Young Peoples' ministry (for which there are potential funding possibilities).

Although we have a growing relationship with the Black Majority / Black Pentecostal / Wesleyan Holiness churches, and continue to have students of other denominations as well, we remain in formal partnership with the Church of England and Methodist churches in providing training and formation for ordained ministry. We continue to be responsive to the changing needs of mission and ministry training, the priorities of these churches, and continue to innovate in terms of delivery mode and form.

Staff Publications (2024-25)

Dr David Allen, "Penuel for the Daughter of Phanuel? The Use of Genesis 32 in Luke's Presentation Narrative." *Bulletin for Biblical Research* 35 (2025): pp. 26-41.

Rev Dr Christine Dutton, "John Vincent's Alternative Church" in Ian K. Duffield and Robert P. Hoch-Yidokodiltona (eds.) 'Radical Disciple: The Influence and Significance of John J. Vincent' (Eugene, OR: Wipf and Stock, 2025), pp. 76-85.

Dr Rachel Starr, (eds. with Robert Beckford) *Behold the Men: An Introduction to Critical Theologies of Masculinities*. SCM, 2025

- 'Israel, Isn't it?' in *God's Stories as told by God's Children, Bible for Normal People*, 2025, pp. 39-41.
- 'Borderline: Reading Mark 7:24-30 as a White Woman' in Al Barrett, Jill Marsh & Anthony G. Reddie (eds.) *Towards a Critical White Theology*. Routledge, 2025.

Revd Canon Dr Carlton Turner, "Decolonization and the Inward Journey: Theological Reflection from the African Caribbean", *The Ecumenical Review*, 71 (2025), pp. 76-87.

- "Wealth extraction/wealth distraction: thinking theologically about reparations", *Practical Theology* 18, 343-357
- "Sam Sharpe: The Slave-Turned-Preacher Who Helped to Bring About Abolition" *Premier Christianity*, 22 October 2024.
- "Towards 'Orthopathos': The Feeling Function in Theologies of Reparations" in *Reparatory Theology: Just Repair after Coloniality*, CWM Special Publication on Theologies of Reparations, 2025.
- "The Anglican Church in the Caribbean: Still a Potted Plant?" in Christopher Fauske (ed.), *The Anglican Church in the Anglophone Caribbean: Historical and Cultural Perspectives*, Bloomsbury, 2025.

Governing Documents

The Queen's Foundation for Ecumenical Theological Education is a company limited by guarantee governed by its Articles of Association dated 30th 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 up to 12 of whom may be 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. The Governors serve as directors of the limited company.

Trustee Training

The Foundation arranges periodic training events for Governors.

Organisation

The Governors annually appoint one of their number to act as President of Governors. The Governors have appointed an Audit Committee (formerly the Finance and General Purposes Committee) which in addition to overseeing the Foundation's financial affairs also scrutinises, evaluates and monitors academic quality and

the data that is gathered and reported on to assure this. The Committee reports to Governors to support them in their responsibilities in both financial and quality matters. The Audit Committee also considers any specific issues referred to it by the Governors from time to time and considers matters of policy and corporate planning, including acting as a nominations committee for Governor appointments. 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 comprises the Principal, the Academic Dean, the Academic Directors, the Director of Operations and the Director of Finance. They meet monthly to discuss current strategic matters affecting all aspects of the Foundation and their work is supported by a Senior Management Group comprising the Principal, the Academic Dean, the Director of Operations and the Director of Finance, which acts on matters deriving from the Leadership Team, and steers matters to it for policy and strategic consideration.

Remuneration of academic staff

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 to either the church schemes to whom ordained ministers belong or to the Foundation's defined contribution scheme.

Risk Management & Internal Control

The Governors acknowledge their responsibility for ensuring internal controls are effective and maintained. They review the major risks to which the Foundation is exposed and the systems that 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 as part of ongoing operations by the Senior Management Group, the Leadership Team and the Governors on a regular basis.

The Foundation also manages risk through preparing internally a risk register which is regularly monitored and presented for review at the thrice-yearly Audit Committee where a risk-based approach is taken, with an evaluation of the likelihood and impact of risks forming part of that review. The primary objectives of the Foundation are kept in view throughout. The Risk Register considers business, operational, compliance and financial components. In addition, we have an independent external financial audit every year.

The major risks facing the Foundation are currently identified under the following headings:

- Loss of key staff
- Ensuring compliance for OfS registration
- Safeguarding or Prevent Incidents
- Premises and site maintenance
- Loss of income from key sources

All these areas are regularly reviewed by the Governors and Leadership team, 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:

- The Principal and Leadership Team are working towards developing a practice of shared knowledge and expertise across the various teaching areas of the Foundation.
- 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



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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.

- DBS checks carried out on staff and students to appropriate levels; designated Safeguarding and Deputy Safeguarding officers experiencing/delivering regular training.
- Designated Buildings Committee to implement finding of the Quinquennial Review.
- The Finance Director conducts regular spot checks on transactions to minimise the risk of corruption, fraud, bribery or other irregularities. In addition, we undertake an annual external independent financial audit.

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 sponsored ordained and lay 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 an informal partnership with the Wesleyan Holiness Church, relationships with many Pentecostal churches and partnerships with several dioceses to provide training for Readers in the Church of England and ongoing development for Methodist probationer and Anglican curates.

Financial Review

The financial statements that follow have been prepared in accordance with the accounting policies set out on page 15 to 17 and comply with the Foundation's governing documents and applicable law. Normal activities resulted in a deficit of £738,674 before changes in investment values.

Investment values fell during the year, with the year-end valuation producing an unrealised loss on investments of £50,788 (2024: gain of £162,056). This was split between unrestricted funds £46,375 and restricted funds of £4,413. £250,000 of investments were sold during the year (2024: £250,000).

Reserves Policy

The policy of the Governors is to examine the financial situation of the Foundation at regular intervals and create such restricted and designated 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 £1,664,939 (2024: £2,026,117). Included in this free reserves total are Designated funds amounting to £1,086,498 (including a 6 month operating expense reserve), leaving undesignated free reserves of £578,441.

It is the objective of the Governors to keep designated free reserves at a sum equal to 6 months unrestricted operating costs of the institution. Other reserves will be used for campus investment to be undertaken, a bursary fund (to match newly found funds) and keeps a disaster fund for emergencies. The reserves will be cautiously and purposefully managed in line with these strategic aims.

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.



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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.

Rt Revd Paul Bayes
President of Governors

Date: 13 November 2025



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE QUEEN'S FOUNDATION FOR ECUMENICAL THEOLOGICAL EDUCATION (REGISTERED NUMBER: 05511503)

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 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Higher Education and Research Act (HERA 2017) and the requirements of OfS.

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 2025 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.
- funds from providers for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- 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 Auditors' 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

In auditing the financial statements, we have concluded that the governors' 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 charitable company'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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Governors.

We have nothing to report in respect of the following matters where 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:



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We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

James Cruse FCA, FCCA, BSc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 13/11/2025

**STATEMENT OF FINANCIAL ACTIVITIES (inc INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st AUGUST 2025**

| | Note | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | 2025 Total £ | 2024 Total £ |
|---|--------|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| INCOME | | | | | | |
| Tuition Fees & Accommodation Charges | 12 | 1,965,919 | 40,102 | - | 2,006,021 | 1,754,051 |
| Investment Income | 3 | 76,300 | 3,959 | - | 80,259 | 88,701 |
| Grants and Donations | 4 | 5,209 | 261,324 | - | 266,533 | 311,846 |
| Other Income | 13 | 11,681 | 39,830 | - | 51,511 | 54,245 |
| TOTAL INCOME | | 2,059,109 | 345,215 | - | 2,404,324 | 2,208,842 |
| EXPENDITURE | | | | | | |
| Charitable activities Costs of Providing Education | 14 | 2,391,873 | 678,038 | 57,106 | 3,127,017 | 2,567,784 |
| TOTAL EXPENDITURE | | (2,407,854) | (678,038) | (57,106) | (3,142,998) | (2,567,784) |
| NET INCOME/(EXPENDITURE) before gains/losses | | (348,743) | (332,825) | (57,106) | (738,674) | (358,942) |
| Unrealised gains/(losses) on investments | 5 | (46,375) | (4,413) | - | (50,788) | 162,056 |
| Realised gains/(losses) on investments | 5 | (2,631) | - | - | (2,631) | 16,456 |
| NET INCOME/(EXPENDITURE) being net movement in funds | | (397,749) | (337,238) | (57,106) | (792,093) | (180,431) |
| Reconciliation of funds: | | | | | | |
| Funds brought forward at 1st September 2024 | | 3,217,242 | 1,308,377 | 57,106 | 4,582,724 | 4,763,155 |
| Funds carried forward at 31st August 2025 | 8,9,10 | 2,819,492 | 971,139 | - | 3,790,631 | 4,582,724 |

All income and expenditure derive from continuing activities.



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BALANCE SHEET AS AT 31st AUGUST 2025
COMPANY NUMBER 05511503

| | Note | 2025 £ | £ | 2024 £ | £ |
|--|------|-----------|------------------|-----------|------------------|
| FIXED ASSETS | | | | | |
| Tangible Assets | 2 | 1,413,236 | | 1,560,637 | |
| Investments | 5 | 2,216,519 | | 2,504,686 | |
| | | | 3,629,755 | | 4,065,322 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 202,619 | | 163,352 | |
| Short term Deposits | | 5,757 | | 5,757 | |
| Bank and Cash in hand | | 269,835 | | 532,435 | |
| | | 478,211 | | 701,544 | |
| CREDITORS | | | | | |
| Amounts falling due within 1 year | 7 | (317,334) | | (184,142) | |
| NET CURRENT ASSETS | | | 160,877 | | 517,402 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 3,790,631 | | 4,582,724 |
| NET ASSETS | | | <u>3,790,631</u> | | <u>4,582,724</u> |
| CHARITY FUNDS | | | | | |
| Endowment | | | - | | 57,106 |
| Restricted | 8 | | 971,139 | | 1,308,377 |
| Unrestricted (inc Designated Funds) | 10 | | 2,819,492 | | 3,217,242 |
| TOTAL CHARITY FUNDS | | | <u>3,790,631</u> | | <u>4,582,724</u> |

The notes on pages 15 to 32 form part of these financial statements.

These financial statements were approved by the Board of Governors on 13 November 2025 and are signed on their behalf by:

Rt Revd Paul Bayes - President of Governors

Rt Revd Anne Hollinghurst - Principal



The Queen's Foundation

The Queen's Foundation For Ecumenical Theological Education

Statement of cashflows for year to 31 August 2025

| | Note | 2025 £ | 2024 £ |
|---|------|------------------|------------------|
| Net Cashflow from operating activities | 20 | <u>(472,328)</u> | <u>(204,184)</u> |
| Property funds | | | |
| Payments to acquire fixed assets | | (105,278) | (43,663) |
| Payments to acquire investments | | (15,253) | (18,088) |
| Receipts from sales of investments | | 250,000 | 250,000 |
| Interest received | | 80,259 | 88,701 |
| Net cash flow from investing activities | | <u>209,728</u> | <u>276,950</u> |
| Net increase/(decrease) in cash and cash equivalents | | (262,600) | 72,766 |
| Cash and cash equivalents brought forward: | | 538,191 | 465,425 |
| Cash and cash equivalents at year end: | | <u>275,591</u> | <u>538,191</u> |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 269,834 | 532,434 |
| Short term deposits | | 5,757 | 5,757 |
| Cash and cash equivalents: | | <u>275,591</u> | <u>538,191</u> |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST
2025

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 financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

The financial statements are prepared on a going concern basis under the historical cost convention.

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.



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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 |



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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.

2 TANGIBLE FIXED ASSETS

| Cost | Long Leasehold | | | Total £ |
|--------------------------------------|--------------------------|-------------------------------|-------------------------|-------------------------|
| | Land & Buildings £ | Furniture & Equipment £ | Heating & Plant £ | |
| Balance at 1st September 2024 | 4,770,088 | 771,947 | 283,863 | 5,825,898 |
| Additions | - | 90,539 | 14,739 | 105,278 |
| Disposals | (13,456) | (337,925) | (15,667) | (367,048) |
| Total cost at 31 August 2025 | <u>4,756,632</u> | <u>524,560</u> | <u>282,935</u> | <u>5,564,128</u> |
| Accumulated depreciation | | | | |
| Balance at 1st September 2024 | 3,356,920 | 693,211 | 215,130 | 4,265,261 |
| Charge for the year | 185,849 | 43,482 | 15,093 | 244,424 |
| Disposals | (5,201) | (337,925) | (15,667) | (358,794) |
| Total depreciation at 31 August 2025 | <u>3,537,567</u> | <u>398,768</u> | <u>214,556</u> | <u>4,150,892</u> |
| Net book value | | | | |
| At 31st August 2025 | <u><u>1,219,065</u></u> | <u><u>125,793</u></u> | <u><u>68,379</u></u> | <u><u>1,413,236</u></u> |
| At 31st August 2024 | <u><u>1,413,168</u></u> | <u><u>78,736</u></u> | <u><u>68,733</u></u> | <u><u>1,560,637</u></u> |

3 INVESTMENT INCOME

| | 2025 £ | 2024 £ |
|--------------------------------------|---------------|---------------|
| Interest - Investment funds | 44,540 | 50,296 |
| Interest - Property funds | 16,601 | 16,401 |
| Interest - Fixed Interest Securities | 775 | 572 |
| Interest on cash deposits | 3,091 | 3,345 |
| Interest reinvested | 15,253 | 18,088 |
| | <u>80,259</u> | <u>88,701</u> |

Of the above, £76,300 was unrestricted (2024: £84,811) and £3,959 was restricted (2024: £3,890).

4 GRANTS AND DONATIONS

| | 2025 | 2024 |
|---|----------------|----------------|
| | £ | £ |
| Methodist Diaconal Order | 10,000 | 10,000 |
| Queen's Methodist Chaplaincy Donation | 8,000 | 17,000 |
| Westminster College Trust Racial Justice | - | 100,000 |
| St Boniface Trust (Mission) | 2,599 | 2,967 |
| St Andrews Encyclopedia of Theology | - | 107,000 |
| The Archbishops Council Racial Justice Grant | 154,869 | 47,250 |
| The Archbishops Council RMF Innovation Fund | 33,930 | 16,965 |
| University of Birmingham Research Grants | 42,196 | 9,997 |
| St Augustine's | 8,790 | - |
| Other donations £1,000 or less (or anonymous) | 6,149 | 667 |
| | <u>266,533</u> | <u>311,846</u> |

Of the above, £5,209 was unrestricted (2024: £667) and £261,324 was restricted (2024: £311,179).

5 FIXED ASSET INVESTMENTS

| | 2025 | 2024 |
|--|------------------|------------------|
| | £ | £ |
| Market value brought forward | 2,504,686 | 2,558,087 |
| Dividends received and reinvested | 15,253 | 18,088 |
| Purchase of Investments | - | - |
| Sale of Investments | (250,000) | (250,000) |
| Profit on sale/redemption of investments | (2,631) | 16,456 |
| Net unrealised profit on revaluation | (50,788) | 162,056 |
| Closing market value | <u>2,216,519</u> | <u>2,504,686</u> |
| Historical cost at 31st August: | <u>860,067</u> | <u>905,030</u> |

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

| | 2025 | 2024 |
|--|------------------|------------------|
| | £ | £ |
| Investments at market value comprise: | | |
| Investment fund income shares | 1,882,553 | 2,178,700 |
| Property funds | 309,511 | 302,161 |
| Fixed interest securities fund income shares | 24,454 | 23,825 |
| | <u>2,216,518</u> | <u>2,504,686</u> |

6 DEBTORS

| | 2025 £ | 2024 £ |
|---------------|----------------|----------------|
| Debtors | 96,693 | 90,821 |
| Other Debtors | 105,925 | 72,531 |
| | <u>202,619</u> | <u>163,352</u> |

7 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|----------------------------|----------------|----------------|
| Trade Creditors | 182,272 | 120,671 |
| Other Creditors | 37,376 | 26,793 |
| Tax & Social Security | 66,907 | 26,388 |
| Accruals & deferred income | 30,780 | 10,290 |
| | <u>317,334</u> | <u>184,142</u> |

Included within other creditors is £11,644 (2024: £13,414) held on behalf of third parties. These funds are included within investments and bank.

8 RESTRICTED FUNDS

| | Movement in Funds | | | | |
|---|--------------------------|----------------------------|-------------------------------|-------------------------|--------------------------|
| | Balance 01/09/24 £ | Incoming Resources £ | (Expenditure) & Gains £ | Transfers In / (Out) | Balance 31/08/25 £ |
| Consolidated Fund | 154,343 | 3,959 | (5,463) | - | 152,839 |
| Methodist Building Grants: | | | | | |
| Library Extension | 151,979 | - | (22,118) | - | 129,861 |
| New Building Refurbishment | 61,200 | - | (6,800) | - | 54,400 |
| Heating overhaul | 99,229 | - | (24,807) | - | 74,422 |
| Mission Centre Fund | 57,530 | - | (57,530) | - | - |
| Principals Discretionary Fund | 3,818 | - | (500) | - | 3,318 |
| OFS | - | 15,132 | (15,132) | - | - |
| MEET | 18,440 | 24,698 | (43,138) | - | - |
| P'ship in Theological Education | 236,363 | 40,100 | (71,643) | - | 204,820 |
| The Donald & Patricia Marsh Charitable Trust | 92,606 | - | (18,763) | - | 73,843 |
| Westminster College Trust Bursary | 44,674 | - | - | - | 44,674 |
| Westminster College Trust Racial Justice | 97,898 | - | (42,953) | - | 54,945 |
| St John's College Nottingham | 140,108 | - | (54,440) | - | 85,668 |
| Methodist Diaconal Order | - | 10,000 | (10,000) | - | - |
| Methodist Chaplaincy | 8,500 | 8,000 | (16,500) | - | - |
| St Boniface | - | 2,599 | (2,599) | - | - |
| St Andrews Encyclopaedia of Theology | 92,080 | - | (24,500) | - | 67,580 |
| The Archbishops Council Racial Justice Grant | 30,669 | 154,869 | (183,123) | - | 2,415 |



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| | | | | | |
|---|------------------|----------------|------------------|----------|----------------|
| The Archbishops Council RMF Innovation Funding | 16,965 | 33,930 | (37,331) | - | 13,564 |
| University of Birmingham | 1,975 | 42,196 | (44,171) | - | - |
| St Augustine's | - | 8,790 | - | - | 8,790 |
| Other | - | 940 | (940) | - | - |
| | <u>1,308,377</u> | <u>345,213</u> | <u>(682,451)</u> | <u>-</u> | <u>971,139</u> |

The Consolidated Fund is an amount held in investments which is available at the joint discretion of the Principal and Director of Finance to secure student protection.

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. This has been fully written off this year to allow for costs not previously allocated to it in previous years.

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

The MEET Funds (Mutual Encounter and Exchange for Transformation) are held for Queen's students travelling abroad for educational purposes. This has been adjusted this year to reflect that no balance is carried forward (costs in an earlier year were not correctly allocated).

The Partnership in Theological Education Funds are to enable a collaborative programme between institutions, for building up capacity to sustain contextually effective and responsive training for ministries in partner countries.

The Donald & Patricia Marsh Charitable Trust Funds are to support financially those who aspire to become ordinands or readers who are not centrally funded and who are not in a position to fund themselves either wholly or in part.

The Westminster College Trust Bursary Funds are to support financially those who aspire to become ordinands or readers who are not centrally funded and who are not in a position to fund themselves either wholly or in part.

The Westminster College Trust Racial Justice Funds are towards the expansion of our Research department into this area.

The St John's College Nottingham Funds are towards a three year fixed term appointment to the Centre for Discipleship and Theology and a contribution to the student bursary fund.

The Methodist Chaplaincy Funds are a contribution towards the cost of Chaplaincy provision.

The St Andrew's Encyclopaedia of Theology Funds are towards research into what global theological educators need from an online Encyclopaedia.

The Archbishops' Council Racial Justice Grant Funds are from the Racial Justice Unit of the Church of England towards valuable racial justice projects.

The Archbishops' Council RMF Innovation Funds are towards research projects on neurodivergence in ministerial formation.

The University of Birmingham Funds are towards research into exploring the relationship between mystical experience and the physical body in first-hand accounts recorded in the Alister Hardy Religious Experience Research Centre.

The St Augustine grant is a scholarship towards the next 7 years study of one student.

COMPARATIVES FOR RESTRICTED FUNDS

| | Balance 01/09/23 £ | Incoming Resources £ | (Expenditure) & Gains £ | Transfers In / (Out) | Balance 31/08/24 £ |
|--|--------------------------|----------------------------|-------------------------------|-------------------------|--------------------------|
| Consolidated Fund | 141,463 | 3,890 | 8,990 | - | 154,343 |
| Methodist Building Grants: | | | | | |
| - Library Extension | 174,097 | - | (22,118) | - | 151,979 |
| - New Building Refurbishment | 68,000 | - | (6,800) | - | 61,200 |
| - Heating overhaul | 124,036 | - | (24,807) | - | 99,229 |
| Mission Centre Fund | 57,530 | - | - | - | 57,530 |
| Principals Discretionary Fund | 3,818 | - | - | - | 3,818 |
| OFS | - | 18,751 | (18,751) | - | - |
| MEET | 18,440 | 24,725 | (24,725) | - | 18,440 |
| Partnership in Theological Education | 269,321 | 40,102 | (73,060) | - | 236,363 |
| Seedcorn | - | - | - | - | - |
| The Donald & Patricia Marsh Charitable Trust | 97,932 | - | (5,326) | - | 92,606 |
| Westminster College Trust Bursaries | 50,000 | - | (5,326) | - | 44,674 |
| Westminster College Trust Match Funding | - | 100,000 | (2,102) | - | 97,898 |
| St Johns Nottingham | 150,000 | - | (9,892) | - | 140,108 |
| Methodist Diaconal Order | - | 10,000 | (10,000) | - | - |
| Queen's Methodist Chaplaincy Donation | - | 17,000 | (8,500) | - | 8,500 |
| St Boniface | - | 2,967 | (2,967) | - | - |
| St Andrews Encyclopedia of Theology | - | 107,000 | (14,920) | - | 92,080 |
| The Archbishops Council Racial Justice Grant | - | 47,250 | (16,581) | - | 30,669 |
| The Archbishops Council RMF Innovation Funding re Neurodivergency | - | 16,965 | - | - | 16,965 |
| University of Birmingham | - | 9,997 | (8,022) | - | 1,975 |
| Other | - | - | - | - | - |
| | 1,154,637 | 398,647 | (244,907) | - | 1,308,377 |

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 31 AUG 2025

| | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | Total Funds £ |
|-----------------------------|----------------------------|--------------------------|-------------------------|---------------------|
| Tangible Fixed Assets | 1,154,553 | 258,683 | - | 1,413,236 |
| Investments | 2,063,680 | 152,839 | - | 2,216,519 |
| Current Assets | (81,407) | 559,618 | - | 478,211 |
| Creditors - Within one year | (317,334) | - | - | (317,334) |
| | <u>2,819,492</u> | <u>971,139</u> | <u>-</u> | <u>3,790,631</u> |

NOTE : The Endowment Fund has now been fully depreciated.

The Restricted Fund includes grants repayable on the dissolution of the College to :
The Trustees for Methodist Church Purposes

410,695

COMPARATIVE FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS 2023-2024

| | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | Total Funds £ |
|-----------------------------|----------------------------|--------------------------|-------------------------|---------------------|
| Tangible Fixed Assets | 1,191,123 | 312,408 | 57,106 | 1,560,637 |
| Investments | 2,350,343 | 154,343 | - | 2,504,686 |
| Current Assets | (140,083) | 841,627 | - | 701,544 |
| Creditors - Within one year | (138,184) | - | - | (184,142) |
| | <u>3,217,242</u> | <u>1,308,377</u> | <u>57,106</u> | <u>4,582,724</u> |

10 UNRESTRICTED FUNDS

Designated Funds

| | Balance 01/09/24 £ | Incoming Resources £ | Resources Expended £ | Gains, (Losses) & Allocations £ | Transfers £ | Balance 31/08/25 £ |
|-------------------------------|--------------------------|----------------------------|----------------------------|---------------------------------------|------------------|--------------------------|
| AD 2062 Stephen Lloyd Fund | 716,175 | 15,253 | - | - | (731,428) | - |
| Research Fund | 86,498 | - | - | - | - | 86,498 |
| Operating expense reserve | 1,000,000 | - | - | - | - | 1,000,000 |
| | <u>1,784,586</u> | <u>15,253</u> | <u>-</u> | <u>-</u> | <u>(731,428)</u> | <u>1,086,498</u> |

The AD2062 Stephen Lloyd Fund was set up to provide resources for the renewal of the lease in 2062. It has been decided to release this designation whilst Governors consider the long term use for the campus.

The Operating Expense Reserve was created following the Governors review of reserves policy in 2020/21 to set aside reserves to cover approx 6 months operating expenses in line with recommended practise.

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.

Unrestricted Funds

| | Balance 01/09/24 £ | Incoming Resources £ | Resources Expended £ | Gains, (Losses) & Allocations £ | Transfers £ | Balance 31/08/25 £ |
|--------------------|--------------------------|----------------------------|----------------------------|---------------------------------------|----------------|--------------------------|
| Designated funds | 1,802,673 | 15,253 | - | - | (731,428) | 1,086,498 |
| Unrestricted funds | 1,414,568 | 2,043,859 | (2,407,854) | (49,007) | 731,428 | 1,732,994 |
| | 3,217,242 | 2,059,111 | (2,407,854) | (49,007) | - | 2,819,492 |

Comparatives for Designated Funds

| | Balance 01/09/23 £ | Incoming Resources £ | Resources Expended £ | Gains, (Losses) & Allocations £ | Transfers £ | Balance 01/09/24 £ |
|---------------------------------|--------------------------|----------------------------|----------------------------|---------------------------------------|----------------|--------------------------|
| AD 2062 Stephen Lloyd Fund | 698,088 | 18,087 | - | - | - | 716,175 |
| Research Fund | 86,498 | - | - | - | - | 86,498 |
| Operating expense reserve | 1,000,000 | - | - | - | - | 1,000,000 |
| | 1,784,586 | 18,087 | - | - | - | 1,802,673 |

Comparatives for Unrestricted Funds

| | Balance 01/09/23 £ | Incoming Resources £ | Resources Expended £ | Gains, (Losses) & Allocations £ | Transfers £ | Balance 31/08/24 £ |
|--------------------|--------------------------|----------------------------|----------------------------|---------------------------------------|----------------|--------------------------|
| Designated funds | 1,784,586 | 18,087 | - | - | - | 1,802,673 |
| Unrestricted funds | 1,675,463 | 1,792,108 | (2,220,059) | 167,055 | - | 1,414,568 |
| | 3,460,050 | 1,810,195 | (2,220,059) | 167,055 | - | 3,217,242 |

11 A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

| | Movement in Funds | | | | |
|-------------------------------|--------------------------|----------------------------|-------------------------------|------------------------------|--------------------------|
| | Balance 01/09/23 £ | Incoming Resources £ | (Expenditure) & Gains £ | Transfers In / (Out) £ | Balance 31/08/25 £ |
| Consolidated Fund | 141,462 | 7,849 | 3,527 | - | 152,838 |
| Methodist Building Grants: | | | | | |
| - Library Extension | 174,097 | - | (44,236) | - | 129,861 |
| - New Building Refurbishment | 68,000 | - | (13,600) | - | 54,400 |
| - Heating overhaul | 124,036 | - | (49,614) | - | 74,422 |
| Mission Centre Fund | 57,530 | - | (57,530) | - | - |
| Principals Discretionary Fund | 3,818 | - | (500) | - | 3,318 |
| OFS | - | 33,883 | (33,883) | - | - |
| MEET | 18,440 | 49,423 | (67,863) | - | - |



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| | | | | | |
|--|------------------|----------------|------------------|---|----------------|
| Partnership in Theological Education | 269,321 | 80,202 | (144,703) | - | 204,820 |
| The Donald & Patricia Marsh Charitable Trust | 97,932 | - | (24,089) | - | 73,843 |
| Westminster College Trust Bursary | 50,000 | - | (5,326) | - | 44,674 |
| Westminster College Trust Racial Justice | - | 100,000 | (45,055) | - | 54,945 |
| St John's College Nottingham | 150,000 | - | (64,332) | - | 85,668 |
| Methodist Diaconal Order | - | 20,000 | (20,000) | - | - |
| Methodist Chaplaincy Donation | - | 25,000 | (25,000) | - | - |
| St Boniface | - | 5,566 | (5,566) | - | - |
| St Andrews Encyclopedia of Theology | - | 107,000 | (39,420) | - | 67,580 |
| The Archbishops Council Racial Justice Grant | - | 202,119 | (199,704) | - | 2,415 |
| The Archbishops Council RMF | - | - | - | - | - |
| Innovation Funding | - | 50,895 | (37,331) | - | 13,564 |
| University of Birmingham | - | 52,193 | (52,193) | - | - |
| St Augustine's | - | 8,790 | - | - | 8,790 |
| Other | - | 940 | (940) | - | - |
| | 1,154,636 | 743,860 | (927,358) | - | 971,139 |

UNRESTRICTED FUNDS

Designated Funds

| | Balance 01/09/23 | Incoming Resources | Resources Expended | Gains, (Losses) & Allocations | Transfers | Balance 31/08/25 |
|-------------------------------|---------------------|-----------------------|-----------------------|----------------------------------|------------------|---------------------|
| | £ | £ | £ | £ | £ | £ |
| AD 2062 Stephen Lloyd Fund | 698,088 | 33,340 | - | - | (731,428) | - |
| Research Fund | 86,498 | - | - | - | - | 86,498 |
| Six months operating expenses | 1,000,000 | - | - | - | - | 1,000,000 |
| | 1,784,586 | 33,340 | - | - | (731,428) | 1,817,926 |

Unrestricted Funds

| | Balance 01/09/23 | Incoming Resources | Resources Expended | Gains, (Losses) & Allocations | Transfers | Balance 31/08/25 |
|--------------------|---------------------|-----------------------|-----------------------|----------------------------------|-----------|---------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated funds | 1,784,586 | 33,340 | - | - | (731,428) | 1,086,498 |
| Unrestricted Funds | 1,675,463 | 3,835,968 | (4,627,913) | 118,048 | 731,428 | 1,732,993 |
| | 3,460,049 | 3,869,307 | (4,627,913) | 118,048 | - | 2,819,491 |

12 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | 2025 £ | 2024 £ |
|---|-------------------------|-------------------------|
| Student Fees | | |
| Ministerial Formation Tuition Element | 950,921 | 870,752 |
| Ministerial Formation Formational Element | 448,692 | 169,297 |
| Independent UG & PG Students | 121,906 | 163,461 |
| Partnership in Theological Education | 40,100 | 40,102 |
| Independent Research Students | 112,191 | 84,589 |
| | <u>1,673,810</u> | <u>1,328,201</u> |
| Accommodation Charges | | |
| Accommodation (restated) | 261,717 | 304,279 |
| External Rents in | 7,538 | 54,696 |
| Conferences, guests etc. | 62,956 | 66,875 |
| | <u>332,211</u> | <u>425,850</u> |
| Total Fees & Accommodation Charges | <u><u>2,006,021</u></u> | <u><u>1,754,051</u></u> |

13 OTHER INCOME

| | 2025 £ | 2024 £ |
|---------------|---------------|---------------|
| OFS Income | 15,132 | 18,751 |
| MEET Income | 24,698 | 24,725 |
| Sundry Income | 11,681 | 10,769 |
| | <u>51,511</u> | <u>54,245</u> |

14 ANALYSIS OF CHARITABLE EXPENDITURE

| | 2025 £ | 2024 £ |
|---|------------------|------------------|
| Academic & Library Costs | 1,511,366 | 1,187,278 |
| Disabled Student Expenditure (Reimbursed) | 11,241 | 5,642 |
| Administrative Costs (excluding Governance) | 580,764 | 471,531 |
| Catering Costs | 193,059 | 189,252 |
| Domestic Costs | 64,547 | 60,729 |
| Premises Costs | 731,550 | 623,828 |
| Governance Costs | 34,489 | 29,525 |
| | <u>3,127,017</u> | <u>2,567,784</u> |

15 GOVERNANCE COSTS

| | 2025 | 2024 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Salaries - operational staff | 27,229 | 22,235 |
| Audit fee | 7,260 | 7,290 |
| | <u>34,489</u> | <u>29,525</u> |

16 STAFF EMOLUMENTS

| | 2025 | 2024 |
|--------------------|------------------|------------------|
| | £ | £ |
| Salary Costs | 1,354,978 | 1,111,887 |
| National Insurance | 129,339 | 92,435 |
| Pension Costs | 134,956 | 115,471 |
| | <u>1,619,273</u> | <u>1,319,793</u> |

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

| | 2025 | 2025 | 2024 | 2024 |
|---------------------------|-------------|---------------|-------------|---------------|
| | FTE | Number | FTE | Number |
| Academic and Library | 16.5 | 23.2 | 19.2 | 20.3 |
| Administrative and Others | 11.5 | 13.1 | 9.1 | 11.3 |
| | <u>28.4</u> | <u>36.3</u> | <u>28.3</u> | <u>31.6</u> |

The total amount of employee benefits received by key management personnel (comprising SMG members) is £175,461 (2024: £169,365).

| | 2025 | 2024 |
|--|-------------|-------------|
| Number of staff receiving basic salary per annum between £100,000 - £104,999 | - | - |

PRINCIPAL'S SALARY

The figures for the year ended 31 Aug 2024 relate entirely to the former Principal, Clive Marsh who left at 31 August 2024. The figures for the year ended 31 Aug 2025 relate entirely to the current Principal Anne Hollinghurst who commenced employment on 1 October 2024.

The head of the Foundation is the highest paid member of staff and receives the following amount, as guided by the "Lichfield Scale" and adjusted where necessary by the Governors:

| | 2025 | 2024 |
|---|-------------|-------------|
| | £ | £ |
| Basic Salary | 46,875 | 35,144 |
| Payments in lieu of pension contributions | - | - |
| Dividends | - | - |
| Performance Related Pay | - | - |
| Pension Contributions | 8,129 | 4,920 |
| Salary Sacrifice Arrangements | - | - |



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| | | |
|------------------------------------|--------|--------|
| Compensation for loss of Office | - | - |
| Any other pension scheme costs | - | - |
| Other taxable benefits: | | |
| Governors' Discretionary Payment | - | 14,057 |
| Housing Allowance | 12,000 | - |
| Other non-taxable benefits: | | |
| On-site Accommodation | - | 12,800 |
| Book Allowance | 920 | 311 |
| Travel Allowance | - | 576 |
| Other remuneration: | | |
| Eg sabbatical payments | - | - |

The total remuneration package for the Principal is in line with that offered to all principals of Anglican Training institutions and in line with national pay scales for Anglican clergy.

The head of the providers basic salary is 1.4 times (2024: 1.1x) the median pay of all staff, where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The head of the providers total remuneration is 1.7 times (2024: 1.9x) the median total remuneration of staff where the median pay is calculated on a full-time equivalence basis for the salaries paid by the provider to its staff.

The total amount paid across the provider for 2024-25 for loss of office is £44,000 (2024: £0). The number of people for whom this is applied is: 2 (2024: 0).

17 AUDITORS REMUNERATION

| | 2025 | 2024 |
|--|--------------|--------------|
| | £ | £ |
| The auditors remuneration is comprised of: - | | |
| Audit Fees | 7,260 | 7,290 |
| Other Services | - | - |
| | <u>7,260</u> | <u>7,290</u> |

18 TRUSTEES REMUNERATION

Trustees received £3,139 for the reimbursement of travelling expenses during the year (2024: £2,472).

No trustee received any remuneration during the year (2024: £nil).

19 FINANCIAL COMMITMENTS

Operating lease commitments

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

| | 2025 £ | 2024 £ |
|--|-----------|-----------|
| Not later than one year | 8,390 | 12,602 |
| Later than one and not later than five years | 4,195 | 12,586 |
| Later than five years | - | - |

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Net income/(expenditure) for the year | (792,093) | (180,431) |
| Interest receivable | (80,259) | (88,701) |
| Depreciation and impairment of tangible fixed assets | 244,424 | 253,032 |
| Losses/(Gains) on investments | 53,420 | (178,512) |
| Losses/(Gains) on disposal of Fixed Assets | 8,255 | - |
| (Increase)/decrease in debtors | (39,267) | (55,531) |
| Increase/(decrease) in creditors | 133,192 | 45,958 |
| Net cash flow from operating activities | (472,328) | (204,184) |

21 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). For staff not covered in the above arrangements a stakeholder (defined contribution) pension scheme is operated with Aviva, the cost of which is written off to the Statement of Financial Activities on an accruals basis. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

During the year the Foundation's contributions were:

| | 2025 £ | 2024 £ |
|-------|----------------|----------------|
| CEFPS | 34,006 | 27,526 |
| CWPF | 4,073 | 10,553 |
| Aviva | 96,877 | 77,392 |
| | 134,956 | 115,471 |

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



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CEFPS

The Foundation participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is 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 each specific Responsible Body, and this means 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 (2024/25: £34,006, 2023/24: £27,526).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

| | % of pensionable stipends |
|------------------|---|
| 31 December 2021 | 7.1% payable from January 2021 to December 2022 |
| 31 December 2022 | Nil |
| 31 December 2023 | Nil |
| 31 December 2024 | Nil |

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 August 2025 is nil (2024: nil).

The legal structure of the scheme is such that if another Responsible Body fails, Queen's College Birmingham could become responsible for paying a share of that failed Responsible Body's pension liabilities.



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CWPF

The Foundation participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2025: £4,073, 2024: £10,553).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

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

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

22 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 2025 there were 12 members of the charitable company (2024: 12)

23 RELATED PARTY TRANSACTIONS

Canon Dr Sanjeevani Perera, a Governor of Queen's, lived for part of the year in on-site accommodation and paid rent, included in our Income total, of £3,236 in the year ended 31 August 2025 (2024: £8,130).

24 POST BALANCE SHEET EVENTS

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Charity being able to continue to operate if further Covid style events take place. The trustees have considered the position of the Charity both at present and for the next 12 months given the current information available.

The Charity has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

We are in regular communication with our stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts. We have implemented plans to reduce costs where necessary and maximise appropriate income opportunities.

25 OFS DETAILS OF GRANT AND FEE INCOME

| | Year ended 31/08/25 | Year ended 31/08/24 |
|--|------------------------|------------------------|
| | £,000 | £,000 |
| Grant income from the OfS (included in Other Income in SOFA) | 15 | 19 |
| Grant income from other bodies (included in Grants & Donations in SOFA) | 231 | 181 |
| Fee income for taught awards (included in Tuition Fees in SOFA) | 1,030 | 974 |
| Fee income for research awards (included in Tuition Fees in SOFA) | 152 | 125 |
| Fee income for non-qualifying courses (included in Tuition Fees in SOFA) | 491 | 230 |
| Total grant and fee income | 1,920 | 1,528 |

Year ended 31 August 2024 restated to allow for different analysis between departments and to include Grant fee income related to Research Grants received.