

WESTMINSTER COLLEGE

CAMBRIDGE

**Trustees'
Annual Report And
Consolidated Financial Statements
2020**

(Registered charity number 311449)

WESTMINSTER COLLEGE CAMBRIDGE

TRUSTEES' REPORT 2020

The directors, who are also trustees of the charity, submit their report and the audited consolidated financial statements for the year ended 31 December 2020. This report fulfils the requirements of the Charities Act 2011 for a Trustees' Annual Report.

Membership lists for the Board of Governors, College Committees and College Staff cover the period January 2020 to June 2021 inclusive. The remainder of this report covers the calendar year 2020.

Board of Governors:

Revd Nigel P Uden (Convener)* (T)
Revd Jan Adamson *(T)
Dr Alison Ainley (appointed by Anglia Ruskin University)
Mr John Ellis *(T)
Dr Alison Gray
Mr Andrew Grimwade *(Treasurer)
Mr Mark Hayes *(T)
Fr Dragos Herescu (appointed 24 April 2020)
Mr William McVey (T)
Revd Dr Rick Mearkle *(T) (resigned 31 August 2020)
Revd Stuart Scott
Revd Professor David M Thompson (resigned 26 June 2020) (T)
Mrs Darnette Whitby-Reid*(T)
Revd Samantha White (College Principal, ex officio) (T)
Dr Giles Walton (appointed 16 October 2020)
Ms Lisa Wilson (Student representative)
Mr Christopher P W Wright (Clerk)* (T)
* = appointed by the General Assembly of the United Reformed Church
(T) = Trustee of the Charity for all or part of the period

In attendance:

Mrs Magalie Cooper (Bursar)
Mr Ian Hardie (Hon Treasurer of the United Reformed Church)
Revd Jennifer Mills (Secretary for Education & Learning of the United Reformed Church)

The Trustees are assisted by:

Board of Studies:

Revd Stuart Scott (Convenor)
Revd Peter Ball
Revd William Bowman
Dr Alison Gray
Revd Dr Rick Mearkle
Mrs Val Morrison (Clerk)
Revd Dr Robert Pope
Revd Dr Andrew Prasad
Revd Dr Jonathan Soyars
Revd Nigel Uden
Revd Samantha White
Mr David Cumbers (Student representative)

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Management Committee:

Mr Mark Hayes (Convener)
Mr Robert Buss
Mrs Magalie Cooper (Bursar)
Mr David Cumbers
Mr Andrew Grimwade (Hon. Treasurer)
Dr Augur Pearce
Revd Dr Jonathan Soyars
Revd Nigel Uden
Revd Samantha White

Officers

Teaching Staff (Senatus)

Revd Samantha White (Director of Pastoral Studies; Director of the Cheshunt Foundation, Principal from September 2020)
Revd Dr Robert Pope (Director in Church History and Doctrine; Vice-Principal)
Revd Peter Ball (Director of Church Resource Development)
Dr Alison Gray (Director in Old Testament Studies)
Revd Dr Rick Mearkle (Director of Pastoral Studies)
Revd Dr Jonathan Soyars (Director in New Testament Studies)

Bursar

Mrs Magalie Cooper

Westminster College was founded in 1844 as the College of the Presbyterian Church in England; it took its present name on moving to Cambridge in 1899. It is registered with the Charity Commission under charity number 311449.

Principal Office

Westminster College, Madingley Road, Cambridge, CB3 0AA

Advisers

Solicitors

Towns Needham & Co
Kingsgate (2nd floor)
51-53 South King Street
Manchester M2 6DE

Independent Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers

Lloyds TSB Bank plc
3 Sidney Street
Cambridge
CB2 3HG

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by the General Assembly under clause 2.6 (A) (vi) of the Structure of the United Reformed Church (URC) through a body of Governors appointed by it, in accordance with the terms of the Trust Deed of 1899 as modified by the United Reformed Church Act 1972.

Governing Body

The College Governors, listed above, are appointed according to a plan approved by the General Assembly of the United Reformed Church in 1995. They are assisted by a Board of Studies and the Management Committee, each chaired by a Governor.

The freehold of the land on which the College is built is held by the United Reformed Church Trust ('URC Trust') as Custodian Trustee. The Governors of Westminster College who are eligible to serve as Charity Trustees and are members of the United Reformed Church are the Trustee of the Charitable Funds of Westminster College. The names of the Governors who were also Trustees, during the relevant period are marked as (T) in the list of Governors.

Recruitment and Training of Governors

Those Governors appointed by the General Assembly of the United Reformed Church are nominated by that Church's Nominations Committee, in consultation with the College Governors. These Governors serve for terms of 6 years, renewable for a further term. Other Governors are nominated by the University of Cambridge, Anglia Ruskin University and the Cambridge Theological Federation for appointment by the Nominations Committee. The Principal of the College and the Chair (or other Governor) of the Cheshunt Foundation are *ex officio*, and the teachers and the students of the College each choose one of their number to represent them.

The Board of Governors and the Nominations Committee give consideration to the balance of skills and experience in the Board of Governors when considering changes in membership. All new Governors receive information about the College and are inducted into their role. Training is provided via general external courses and events where possible, and training is given in conjunction with quarterly meetings in specific areas of governance as needs arise, to assist in the performance of their duties as trustees.

Organisational Management

The College Governors and Management Committee each meet four times a year. The Management Committee receives financial and management reports and acts on behalf of the Governors in matters delegated to it. It reports to every meeting of the College Governors. The Board of Studies meets at least three times a year and oversees the educational work of the College; it also reports to every meeting of the College Governors. The Board makes formal decisions on student admissions, programmes of study and the award of the College leaving certificate, on the recommendation of the academic staff of the College, known collectively as the Senatus. The Board also acts as the body which offers quality assurance to and oversight of the College's own Living Ministry Programme. It reflects on and oversees the developing role of the College as a Resource Centre for Learning of the United Reformed Church and offers oversight to the development of all its programmes and learning events.

The Board of Governors, the Management Committee and the Board of Studies each include a student representative for discussion of unreserved business.

The day to day running of the College is delegated to the Principal, supported by the Senatus and the Bursar. The Principal attends all Boards and Committees. A representative of the Senatus is a member of the Management Committee. All members of the Senatus attend the Board of Studies.

The key management personnel are considered to be the Principal, vice-Principal and the Bursar. Remuneration of key management personnel is set in the same way as that of other equivalent staff. Those who are ministers of the United Reformed Church receive the same basic stipend as other ministers, the level of which is recommended by committees of the church and confirmed by its Trustees. The pay of lay staff is set at appointment by a group delegated from the Management Committee, having regard to comparable posts in Cambridge; this group also proposes annual increments, which are endorsed by the Management Committee.

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Westminster College Trading Limited

Westminster College Trading Limited, a wholly owned subsidiary company of Westminster College, was registered on 22 January 2014 primarily to carry out the conferencing and accommodation business of Westminster. The Board of Directors comprises officers and members of the governing body of Westminster College: Revd Samantha White; Mr Mark Hayes (Chairman) and Ms Margaret Sennitt (also Company Secretary). The Board have determined that all of the profits of the company be distributed to Westminster College by way of gift aid to support the ongoing educational and wider Church resourcing work of Westminster.

Other relationships

- A. In 1967 Cheshunt College, Cambridge merged its operations with those of Westminster College Cambridge. The remaining capital funds of Cheshunt College are administered under a Charity Commission Scheme of 1972, by the Trustees of the Cheshunt Foundation. The Cheshunt Foundation Trustees and the Westminster College Trustees operate independently, but each nominates a Trustee to be a Trustee of the sister trust. A significant part of the income of the Cheshunt Foundation is applied by its trustees to provide academic services at Westminster.
- B. Westminster College is a fully participating member of the Cambridge Theological Federation ('the Federation'). As such, it has obligations and commitments in the provision of teaching and support for the various common teaching programmes of the Federation, including the Bachelor of Theology degree of Cambridge University; the Common Awards (BA and MA), validated by Durham University and deployed for ministerial training across a large number of Theological Education Institutions around the country; and the Professional Doctorate of Anglia Ruskin University. Westminster's academic staff are involved in teaching across all these awards, and Westminster's facilities are widely used by staff and students of the Federation. The central staff of the Federation occupy one of the College Bounds houses as an administrative hub. This development was funded through a grant made from the Maurice & Hilda Laing Charitable Trust
- C. The Cambridge Centre for Christianity Worldwide (CCCW; formerly the Henry Martyn Centre) is an independent charity for the study of mission and world Christianity, and an Associate Member of the Federation. The Centre (including its library, director and support staff) is based in Westminster College, and there are close links between the two bodies in terms of teaching, worship and research.
- D. The Woolf Institute of Abrahamic Faiths, another Associate Member of the Federation working in the field of interfaith relations between Jews, Christians and Muslims, occupies a building on the Westminster site.

The relationships outlined above demonstrate a campus of theological institutions at Westminster, a vision the College Governors and staff all embrace and continue to work towards. To ensure that relationships developed in fruitful ways, and to enhance the sharing of information and joint planning, the Westminster Campus Forum of all the parties meet regularly.

Risk Management

The Board of Governors is responsible for the management of the risks faced by the College. The Management Committee prepares a risk analysis each year, in consultation with the United Reformed Church, which we serve. The Governors appoint a Financial Management Review Group to review all financial management annually. A formal review of the charity's risk management processes is undertaken annually. The key controls used by the charity include:

- Formal agendas for all Board and Committee activity
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable
- The use of expert consultants, as necessary, to advise on specific areas of risk and to enable the college to implement the appropriate responses and controls

The risk management exercise conducted in 2020 focussed in particular on a thorough review of the processes of the College around Students, Safety and Financing issues and included the COVID-19 policies and various related-risk assessments. Where necessary, these policies were updated to ensure they reflected current practice, measures and laws.

The Covid-19 pandemic in 2020 posed new risks to the College, in particular the income from B&B and Conferences and Events which has been hard hit. The Governors monitored this risk closely and put in place measures to mitigate as much of its impact as possible by taking advantage of the Government's furlough scheme for all affected staff and put all non-essential expenditure on hold. Regrettably it was also felt necessary to make 10 staff redundant. Some loans and grants were secured from the URC related entities which helped significantly. The Governors continue to monitor the situation closely and, with the prospect of some opening up in the Summer of 2021, they remain confident that the College will continue to be financially viable in the long term and have concluded that the College has sufficient financial support to continue in operational existence for the foreseeable future.

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Academic activities have continued throughout with lectures and tutorials being conducted remotely.

The Governors constantly seek to improve the management of the College. Areas of risk relating to the academic programmes and teaching staff of the College are attended to with care through the college teaching team the Board of Studies and the various structures of the Federation. Financial controls are robust and include monthly reports detailing outturns against projections and budgets which are scrutinised by the Management Committee. The College works closely with the Education and Learning Committee and the Ministries Committee as well key Finance and Human Resources staff of the URC, drawing on their expertise and ensuring that Westminster's developing work is harmonised with denominational requirements and expectations. Concerns about individual students are handled through robust and transparent processes developed across all of the URC's training centres. The College buildings include all relevant features in terms of security and access control alongside fire detection and prevention equipment.

It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. The College has a process to regularly review and, if necessary, to extend its policies and procedures. The college is extremely well served by the Bursar, a committed team of administrative and support staff and a part-time Estates Manager who works alongside the Bursar to ensure that the buildings at Westminster are properly maintained and looked after.

OBJECTIVES AND ACTIVITIES

The Charity's object, as set out in its Trust Deed, is to be a theological college of the United Reformed Church, and thus to provide education and to promote the Christian religion. The College prepares students to serve as ministers of Word and Sacraments, and provides for sabbaticals and in-service training for those already ordained. In addition, the College also offers educational resources to those who are preparing for or are already fulfilling ministries as lay preachers or Elders within the Church, as well as to church members who wish to deepen faith. The College teaching staff (Senatus) have a significant and growing role within the Church as those who provide learning in the Christian faith for a wide range of meetings, conferences and groups, and who also resource the Church through their writing and publications. The experience of the Covid-19 pandemic has resulted in more of this work being prepared and delivered online. Within its object, the Charity has also to maintain the Grade 2 listed buildings, to administer and maintain various scholarship funds, and to care for a large collection of books, artefacts and historic documents.

Review of performance for 2020

1. Continue development of the Vocational Community scheme and prepare its implementation.

Due to the effects of the Covid-19 pandemic, and the need to focus activity on essential services for the duration of government restrictions to mitigate the spread of disease, the Governors agreed to suspend the work on progressing the gap year project. This coincided with the need for Downing Place United Reformed Church to mitigate their plans, so it was decided that the College would pick up the explorations on collaborative opportunities once the future became clearer. Necessarily there would be a further delay to the launch of the scheme and further work will need to be done to secure funding. The scheme remains an objective of the Governors of Westminster College.

2. Ensure that important work on the college fabric can be prepared for and funded.

The College Management Committee regularly assesses the college fabric and reports to the Governors on matters of concern. In December 2020 there was a major ingress of water to the College Tower that necessitated an immediate remedial repair costing up to £75,000 whilst plans were made for a permanent repair. Grant funding to cover the cost of the remedial repair was sought and gratefully received from the Eastern Synod Province Trust. In January planning for the urgent repair commenced. A schedule of work was drawn up and the work assessed to cost in the region of £590,000. Governors agreed to the sale of 9 Arundel Close to cover part of the cost, with the remainder being sought through grant funding from external sources, individual donations and sponsorship and the Alumni and Friends of Westminster and Cheshunt.

3. Create a fundraising scheme to maintain the upkeep of the building, attending to work in the medium and long term.

Recognising the need for skilled fundraising the Management Committee has proposed that the Governors consider establishing a fundraising team. A potential Convenor for such a group was identified in January 2021 and the terms of reference for such a group were drafted. It is envisaged that the establishment of this group will be an objective for 2021.

4. Manage transitions and developments as United Reformed Church requirements in learning and formation (ordained and lay) continue to evolve.

Senatus staff have continued to sit at the table in key committees within the United Reformed Church in 2020, which includes 'Walking the Way' and 'Stepwise'. The Principal of the RCLs have met together and with the Synod Moderators. Relationships

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focussing on collaborative working are being forged with the new Secretary for Education and Learning and Secretary for Ministries. The effects of the Covid-19 lockdown meant that design and delivery of online academic services, events and formational programmes, occurred by necessity. Rather than travelling to deliver teaching and resourcing to Synods and local churches, teaching staff have adapted sessions for online engagement. The Education and Learning Committee commenced a consultation process in November 2020 which is aimed at exploring what modes of integration are occurring and might evolve with further resourcing. The RCLs are integral to this conversation. In 2020 Westminster's student body included the first two Model IV Non-stipendiary students and for the first time independent students were accepted onto the Common Awards BA programme at Westminster. The Senatus has included an interim Director of Pastoral Studies, Revd Dr Rick Mearkle, whilst the permanent post is considered. The Governors agreed that this may take time to appoint due to the need to be relevant to the needs in this transitional period. Throughout 2020 the students studied online, so student and staff welfare was of key concern.

5. Continue to deliver the college's business plan and to offer high quality services to all using Westminster.

The commercial business, comprising Conference and Events, has been severely affected by lockdown. The kitchen facilities were closed in March 2020 and plans for a gradual re-opening, with a re-assessment of the catering facilities to cover the period of limited opening, commenced in March 2021. This is dependent on the government road map for easing of the lockdown in England. Wherever possible events have been postponed or re-scheduled for 2021. The Bursar has remained in close contact with peers.

6. To closely monitor the effects of the Covid-19 pandemic on the College's finances and to make appropriate decisions to reduce the impact wherever possible.

Expenditure has been limited to absolute essentials while advantage has been taken of the Government's Job Retention Scheme (furlough scheme). Loans were sought from the United Reformed Church Trust and grants were received from the Education and Learning Committee (£50k), the URC Trust (£50k to mitigate the loss of the hospitality business due to the Covid-19 restrictions. The Eastern Synod Province Trust also offered welcome support with two gifts (£30k and £30k). The East Wing was made Covid-secure and prepared for self-catering purposes so that 20 rooms could be rented to postgraduate students for the duration of the academic year 2020/21. The Governors made provision for Principal Officers to be authorised to assess the staffing needs of the College in the light of reduced business. Measures were then put in place to reduce expenditure and manage staffing costs, which included three voluntary redundancies and nine compulsory redundancies. Core staff have worked on site within Covid-secure measures to ensure the plant was maintained and essential services have continued throughout 2020.

Objectives for 2021

1. Ensure that important work on the College fabric can be prepared for and funded.
2. Create a fundraising scheme to maintain the upkeep of the building, attending to work in the medium and long term.
3. Manage transitions and developments as United Reformed Church requirements in learning and formation (ordained and lay) continue to evolve.
4. Continue to re-evaluate the College's business plan and to offer high quality services to all using Westminster.
5. To closely monitor the effects of the Covid-19 pandemic on the College's finances and to make appropriate decisions to reduce the impact wherever possible.

PUBLIC BENEFIT STATEMENT

The College's primary purpose is to be a Resource Centre for Learning (RCL) within the URC, and thus to provide education and to promote the Christian religion. The Trustees of the College take account of the Charity Commission's published guidance in regard to public benefit in conducting the activities of the College. The following are examples of the College's work during the year under review which have contributed to the fulfilment of the charity's public benefit obligations:

- The College, in consultation with the URC, prepares students to become Ministers of Word and Sacraments within the church. The full costs of such training are, where necessary, made available by the URC. The College also provides ministerial education for students of certain other denominations and independent churches who, from time to time, may direct students to it. Additionally, the college welcomes independent students who wish to study for a degree in theology for ministry, and offers bursaries for those who need financial help.
- The College plays a full part in the work of the Cambridge Theological Federation (CTF), contributing teaching, teaching facilities, and library access for ordinands and other students from other Christian denominations who are studying at member institutions of the Federation. These services are provided on an exchange basis with other member institutions within the CTF.

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- As an RCL for the whole URC, the College increasingly provides courses for the training of lay leaders within the church – for example, lay preachers. Such training is provided free, with charges being made only for accommodation and meals.
- The College’s library is available for use, without charge, by all members of the URC and the Federation, and by other readers at the discretion of the Principal for a modest annual membership fee. The College’s extensive archive of historical materials (including the papers of some of the former staff of the College) is similarly made available to enquirers, on a no-cost basis but with an invitation to make a voluntary donation to defray expenses. By a Memorandum of Agreement with the URC History Society (Registered Charity no.279213) the College’s library and archives also contain the library and archives of the Society, which are similarly available to researchers.
- As an integral part of the College’s ministry, the College teaching staff accept speaking and teaching engagements throughout the United Kingdom, and occasionally abroad.
- The teaching staff regularly contribute to a variety of religious publications, which are used within and beyond the URC.
- The College provides improved facilities for people with disability and for meeting and conference space which we hope that those beyond the Church will value and want to use.

The College hosted some charity events in 2020, offering facilities at cost.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The results for the year are shown in the Consolidated Statement of Financial Activities on page 12. The College had a net decrease in funds of £220,673(2019: decrease of £15,847), which comprised:

	2020	2019
	£	£
Donations, grants and legacies	505,942	82,515
Income from charitable activities	622,956	885,906
Activities for generating funds	274,693	787,586
Investment income	51,172	50,760
Other income	21,958	21,128
<i>Total income</i>	<u>1,476,721</u>	<u>1,827,895</u>
Expenditure on:		
Raising funds	378,603	650,533
Charitable activities	1,418,804	1,439,197
<i>Total expended</i>	<u>1,797,407</u>	<u>2,089,730</u>
Net loss	(320,686)	(261,835)
Net gain/(loss) on investments	100,013	245,988
	<u>(220,673)</u>	<u>(15,847)</u>

Income

We are grateful for donations and grants, in particular the continuing, regular grants from the Cheshunt Foundation.

Income from academic services increased by £41,000 in 2020 but income from academic accommodation decreased by £304,000 due to the Covid 19 restrictions. Similarly, the trading activities of Westminster College Trading activities were severely restricted and income in this area fell by £513,000. The decrease in these areas of income was somewhat offset by additional grant income from the URC and one of the URC’s synods. The charity also made use of the government’s furlough scheme and received £186,000 in this respect. Overall, income decreased by 19% from just under £1,828,000 to nearly £1,476,000, a decrease of £351,000.

Resources Expended on Charitable Activities

With reduced activities due to the Covid 19 pandemic, expenditure fell by £272,000 for trading activities and by £20,000 for charitable activities resulting in an overall fall in costs of £292,000.

Reserves Policy

The College's revenue budget generally supports its day-to-day operations as a Resource Centre for Learning serving the United Reformed Church, and the trustees aim to work to a balanced budget, apart from premises improvements. Usually, about half of the college's unrestricted income is derived from fees, rents and grants originating from the Church and from allied charities, however in 2020 this balance shifted and this accounted for around 77% of total income due to the fall in trading income.

At 31 December 2020, unrestricted general funds totalled £1,461,737. Of this sum £1,483,815 was invested in fixed assets held for College use, leaving no readily available reserves. However, the College holds nearly £300,000 available in the Sale of the Nestle Library designated fund, which can be repurposed should the need arise. The trustees will carefully monitor the Covid 19 situation and it is hoped that the signs that these restrictions are easing bodes well for recovering, to some degree, an acceptable level of free reserves equivalent to 3 months income without having to make use of this designated fund.

Investment Policy

The College investments represent permanent endowment and unexpended income of its restricted funds, as well as other funds held as reserves; they are invested in common investment funds to secure income for their purposes, with long-term capital growth. Investments are held and administered by the United Reformed Church Trust as Custodian Trustee, whose investment committee monitors their progress. Other funds that are expected to be required in the short or medium term are held on term deposits.

Covid-19

The Covid-19 pandemic had a significant effect on the income of the College. The governors took appropriate steps to mitigate this risk as much as possible, including taking advantage of the Government's furlough scheme for staff and postponing all non-essential building works and expenditure. Several additional grants and loans from URC bodies were secured which helped to mitigate, to some degree the effect on income. They acknowledge that the return to 'business as usual' will take some time. They have considered the impact of covid-19 in making their assessment of going concern and deemed it appropriate to adopt a going concern basis for at least one year. Academic services have continued through remote lessons and tutorials.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the College to continue as a going concern. The trustees have made their assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the College's forecasts and projections and have considered the potential impact of the coronavirus outbreak on the viability of the charitable group, as more fully explained above. After making enquiries, the trustees have concluded that there is a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. The College therefore continues to adopt the going concern basis in preparing its financial statements.

Statement of Trustees' Responsibilities

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

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

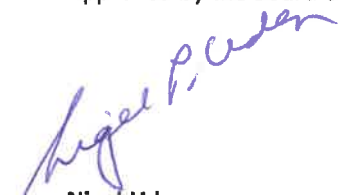
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Each of the trustees confirms that:

- So far as the trustee is aware there is no information of which the charity's auditors are not aware; and
- the trustees have taken all the steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Board of Governors on 22 July 2021 and signed on its behalf by:



Nigel Uden
Convener

Opinion

We have audited the financial statements of Westminster College Cambridge for the year ended 31 December 2020 which comprise of the Statement of Financial Activities, the Summary Income and Expenditure Account, 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance, particularly in relation to the adoption of the accounting policies considered to be most relevant to the charity's financial reporting.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

WESTMINSTER COLLEGE CAMBRIDGE

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor

Date: 30 July 2021
Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations and legacies							
Donations		845	15,317	78,822	-	94,984	22,523
Grants receivable	2	408,843	2,115	-	-	410,958	59,992
Legacies		-	-	-	-	-	-
		409,688	17,432	78,822		505,942	82,515
Charitable activities							
Academic services		462,670	-	-	-	462,670	422,106
Academic accommodation & conferences		160,287	-	-	-	160,287	463,800
		622,957	-	-	-	622,957	885,906
Other trading activities	3	274,693	-	-	-	274,693	787,586
Investment Income	4	1,519	8,722	40,930	-	51,171	50,760
Other income							
Management fees		12,870	-	-	-	12,870	14,296
Other income		9,088	-	-	-	9,088	6,832
		21,958	-	-	-	21,958	21,128
<i>Total income and endowments</i>		1,330,815	26,154	119,752		1,476,721	1,827,895
Expenditure on:							
Raising funds							
Trading expenditure	3	378,603	-	-	-	378,603	650,533
Charitable activities:							
Academic services	5(a)	715,628	8,856	22,021	-	746,505	639,106
Academic accommodation & conferences	5(b)	494,469	-	-	-	494,469	633,882
College Development		-	177,830	-	-	177,830	166,209
		1,210,097	186,686	22,021	-	1,418,804	1,439,197
<i>Total expended</i>		1,588,700	186,686	22,021	-	1,797,407	2,089,730
(Loss) /Gains from trading and charitable activities		(257,885)	(160,532)	97,731	-	(320,686)	(261,835)
Net gains /(loss) on investments		14,650	17,213	18,417	49,733	100,013	245,988
<i>Net (expenditure)/income</i>		(243,235)	(143,319)	116,148	49,733	(220,673)	(15,847)
Transfers		23,617	(8,722)	(14,895)	-	-	-
<i>Net movement in funds</i>		(219,618)	(152,041)	101,253	49,733	(220,673)	(15,847)
Total funds brought forward at 1 January		1,681,355	4,614,928	402,270	1,113,833	7,812,386	7,828,233
Total funds carried forward at 31 December		1,461,737	4,462,887	503,523	1,163,566	7,591,713	7,812,386

All amounts relate to continuing operations.

There is no material difference between the net incoming/(outgoing) resources stated above and their historical costs equivalents.

All gains and losses recognised in the year are included in the Consolidated Statement of Financial Activities.

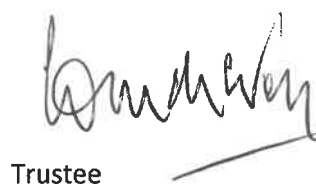
WESTMINSTER COLLEGE CAMBRIDGE

BALANCE SHEETS
As at 31 December 2020

	Notes	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Fixed assets					
Intangible assets	7	8,789	8,789	15,405	15,405
Tangible assets	7	5,879,804	5,879,804	6,019,677	6,019,677
Investments	8(a)	1,690,293	1,690,293	1,590,280	1,590,280
Investment in Subsidiary	8(b)	-	10,000	-	10,000
		<u>7,578,886</u>	<u>7,588,886</u>	<u>7,625,362</u>	<u>7,635,362</u>
Current assets					
Debtors	9	53,663	123,207	163,626	80,378
Cash at bank and in hand		583,770	574,085	460,329	450,499
		<u>637,433</u>	<u>697,292</u>	<u>623,955</u>	<u>528,87</u>
Creditors: amounts falling due within one year	10	(624,606)	(564,541)	(436,931)	(490,906)
Net current assets		<u>12,827</u>	<u>132,751</u>	<u>187,024</u>	<u>39,971</u>
Total assets less current liabilities		<u>7,591,713</u>	<u>7,721,637</u>	<u>7,812,386</u>	<u>7,675,333</u>
Unrestricted income funds					
General reserves		1,461,737	1,591,661	1,681,355	1,544,302
Designated funds	13	4,462,887	4,462,887	4,614,928	4,614,928
Unrestricted funds		5,924,624	6,054,548	6,296,283	6,159,230
Restricted income funds	14	503,523	503,523	402,270	402,270
Capital funds		1,163,566	1,163,566	1,113,833	1,113,833
TOTAL FUNDS	11&12	<u>7,591,713</u>	<u>7,721,637</u>	<u>7,812,386</u>	<u>7,675,333</u>

Approved and authorised for issue by the Board of Governors on 22 July 2021


Trustee


Trustee

Consolidated statement of cash flows for the year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Net outgoing resources and movement in funds (see page 11)	(220,673)	(15,847)
Adjustments for:		
Decrease/(increase) in debtors	109,963	18,901
Increase /(decrease) in creditors	187,675	128,204
Depreciation of fixed assets	190,591	193,046
Amortization of intangible assets	6,616	5,370
(Gain)/loss on investment assets	(100,013)	(245,988)
Cash flows generated from operations	<u>174,159</u>	<u>83,686</u>
Cash flows from investing activities		
Payments to acquire tangible assets	(50,718)	(63,699)
	<u>(50,718)</u>	<u>(63,699)</u>
Net increase/(decrease) in cash and cash equivalents	123,441	19,987
At 1 January 2019	460,329	440,343
At 31 December 2019	<u>583,770</u>	<u>460,329</u>

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020**

1 PRINCIPAL ACCOUNTING POLICIES

(i) Accounting basis

b. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Westminster College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

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

(iii) Consolidation

Consolidated financial statements have been prepared in respect of Westminster College Cambridge and its wholly owned subsidiary, Westminster College Trading Limited. The results of Westminster College Trading Limited have been consolidated on a line-by-line basis.

(iv) Classification of funds

Unrestricted income funds may be used for the general purposes of the College; some of these have been designated for particular purposes by the Board of Governors, which approves transfers to and from designated funds. Details are given in note 14. Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which funds were received. Capital funds are permanent endowments required to be retained, but the income from these funds may be spent for general or restricted purposes as specified by the original endowment.

(v) Income

All incoming resources including voluntary income, income from activities for generating funds, investment income, is recognised in the SOFA when there is legal entitlement to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

(a) Voluntary income

Donations, grants and legacies are accounted for on a receivable basis. Donations under Gift Aid are recognised as income together with the associated tax recovery. Grants receivable towards specific activities are included in the period when those activities take place. Legacies are included when there is evidence of entitlement, it is probable that the amount will be received, and the amount involved can be quantified with measured reliability. Receipt is considered probable when probate has been granted, the executors have established that there are sufficient assets in the estate to pay the liability and any conditions attached to the legacy have been met or are within the control of the charity.

(b) Trading & income from Academic Services

Trading & income from Academic Services, is recognised in the period it is receivable and to the extent the College has provided the goods or services.

(vi) Expenditure

Trading expenditure represents resources expended by Westminster College Trading Ltd in relation to providing accommodation, conferences and events. Resources expended directly in charitable activities are also analysed and support costs including governance costs are apportioned equally between them. Governance costs show expenditure related to running the charity rather than pursuing its charitable activities. Expenditure is accounted for on an accrual basis.

(vii) Taxation

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020 (continued)

(viii) Fixed assets and depreciation

a) College properties

Depreciation is provided on College buildings and on other residential properties owned by the College over their expected useful life and after taking into account the estimated residual value. Properties are maintained in a state of sound repair, resulting in a long expected useful life and expected residual values not materially different from their carrying value. Accordingly any depreciation is not material and so no depreciation is charged. The Committee of Management considers annually whether any impairment is necessary considering the lives of the properties and their residual value. Where certain improvements, such as electrical works, have been assessed as having a limited life, depreciation is provided as set out below.

b) Tangible assets and depreciation

Tangible fixed assets having an initial cost of £250 or less are written off on acquisition. Higher cost items are capitalised and depreciation is provided on a straight line basis as a percentage of costs as follows:

Computer equipment	25% pa
Furniture and other equipment	10% pa
Building improvements with limited life	5% pa

c) Other tangible assets

Other tangible assets in regular use, principally book collections, which have been donated to the College over the period since its foundation, are not included in the Balance Sheet, since to obtain a reliable valuation is not practicable. Further details are given in note 7.

d) Heritage assets

The College owns certain manuscripts and artefacts that are not in regular use but are held for their historical or artistic qualities. They were largely acquired by the founders and donated to the College at or soon after its foundation. No formal valuations have been obtained for these assets as the cost of obtaining such valuations would outweigh the benefit. As a result these assets are not included on the Balance Sheet (See note 7).

(ix) Intangible fixed assets

Software costs are capitalised as intangible fixed assets and amortisation is provided so as to write-off their costs over their estimated useful lives and is calculated at 25% per annum on a straight line basis.

(x) Investments

Listed investments are units in Common Investment funds and are stated at market value at the balance sheet date. The difference between market value and cost is credited or debited to the respective fund. Investment income is credited to the appropriate fund account.

(xi) Pensions

College teaching staff who are URC ministers are members of the United Reformed Church Ministers' Pension Fund, a funded defined benefit pension scheme for ministers receiving a stipend from the United Reformed Church. The assets of the scheme are managed independently of the church, and pension costs are assessed in accordance with the advice of an independent qualified actuary. Other staff are entitled to membership of the United Reformed Church Final Salary Scheme, a multi-employer defined benefits scheme, more details of which are shown in note 16.

In each case the College is unable to identify its share of the underlying assets and liabilities of the scheme and therefore both are treated in these financial statements as defined contributions schemes; the amount charged in respect of pension costs is the contribution payable in the year, which is included within the appropriate expenditure heading in the Statement of Financial Activities and in note 6.

(xii) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020 (continued)

(xiii) Going concern

The financial statements are prepared on a going concern basis which assumes that the charity will continue in operational existence for the foreseeable future. The trustees have considered possible events or conditions that might cast significant doubt on the ability of the College to continue as a going concern. The trustees have made their assessment for a period of at least one year from the date of the approval of these financial statements. In particular the trustees have considered the College's forecasts and projections and have considered the potential impact of the coronavirus outbreak on the viability of the College and its subsidiary, as more fully explained in the Trustees Report. The College's parent undertaking, the United Reformed Church Trust, has issued a loan facility of up to £200,000 so that it will provide sufficient financial support to enable the College and its subsidiary to meet its liabilities as they fall due during the period of at least 12 months from the date of approval of these financial statements. After taking this into account and making enquiries, the trustees have concluded that there is a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. The College therefore continues to adopt the going concern basis in preparing its financial statements.

2 VOLUNTARY INCOME

Grants receivable represent the support for the College by The Cheshunt Foundation, which covers the stipend and expenses of one member of the teaching staff, contributes to the College budget, funds student bursaries and provides financial support for ministers taking sabbatical leave at the College. The grant for 2020 totalled £61,083 (2019: £59,992).

3 OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Income		
Bed and breakfast accommodation	166,045	477,714
Dinners, weddings and other events	108,648	309,872
	<u>274,693</u>	<u>787,586</u>
Less: Costs of activities for generating funds		
Direct costs	(47,543)	(143,208)
Staff costs and overheads	(331,060)	(507,325)
	<u>(378,603)</u>	<u>(650,533)</u>
Net surplus of activities for generating funds	<u>(103,910)</u>	<u>137,053</u>

4 INVESTMENT INCOME (group and charity)

	2020	2019
	£	£
Unitised Funds	50,680	49,700
Interest on short term investments and bank deposits	491	1,060
	<u>51,171</u>	<u>50,760</u>

Investment income is split between the College funds as follows:

	2020	2019
	£	£
Unrestricted	1,519	8,340
Designated	8,722	8,554
Restricted	40,930	33,866
	<u>51,171</u>	<u>50,760</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020(continued)

5(a) EXPENDITURE ON CHARITABLE ACTIVITIES (group and charity)

	2020	2019
	£	£
Academic services:		
Teaching staff stipends & salaries	259,940	258,053
University and federation fees	50,060	44,256
Grants to student and teachers	26,027	24,216
Library	2,368	461
Miscellaneous	2,823	25,432
Support costs (Note 5b)	405,287	286,688
	<u>746,505</u>	<u>639,106</u>

	2020	2019
	£	£
Academic accommodation & conferences:		
Food	11,755	41,791
Staff costs – catering, domestic and maintenance	36,128	248,701
Maintenance let properties	9,105	7,069
College running costs	32,194	49,633
Support costs (Note 5b)	405,287	286,688
	<u>494,469</u>	<u>633,882</u>

5(b) SUPPORT COSTS (group and charity)

	2020	2019
	£	£
College security and maintenance	106,397	129,050
Utilities	49,450	33,625
Business rates and insurance	38,996	25,961
Irrecoverable VAT	45,691	31,371
Staff costs – office and management	491,396	285,007
Other office costs	78,095	61,152
Governance costs	549	7,210
	<u>810,574</u>	<u>573,376</u>

50% shared between academic services & academic accommodation	405,287	286,688
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Included in other office costs above are audit fees of £18,512 (2019: £9,427) for the group and £17,428 (2019: £5,091) for the charity.

6 STIPEND AND SALARY COSTS (group and charity)

	2020	2019
	£	£
During the year the following stipend and salary costs were incurred:		
Ministers 4 (2019: 4)		
Stipends and allowances	121,146	105,649
Social security costs	11,379	10,632
Pension contributions	23,083	19,949
	<u>155,608</u>	<u>136,230</u>
Lay staff 37 (2019: 40)		
Wages and salary	665,396	769,926
Social security costs	47,996	59,117
Pension contributions	170,039	212,674
Redundancy costs	19,112	-
	<u>902,543</u>	<u>1,041,717</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020 (continued)

No minister or employee received emoluments exceeding £60,000 during 2020 or 2019. No trustee received remuneration in respect of their services as trustee other than the reimbursement of travel and other expenses to five individuals during 2020 totalling £549 (2018: four individuals totalling £1,185).

Key management personnel are the Principal, Vice Principal and Bursar; of these, two are ministers and one is lay staff. The total of employee benefits for key management personnel was £148,383 (2019: £147,746).

7 TANGIBLE & INTANGIBLE FIXED ASSETS (group and charity)

	College properties	Computer equipment	Furniture and other equipment	Total tangible assets	Intangible assets
	£	£	£	£	£
Cost					
At 1 st January 2020	6,397,232	55,830	801,935	7,254,997	40,850
Additions during the year	21,102	2,863	26,753	50,718	-
At 31 st December 2020	6,418,334	58,693	828,688	7,305,715	40,850
Accumulated depreciation					
At 1 st January 2020	679,151	48,606	507,563	1,235,320	25,445
Charged during the year	113,146	4,330	73,115	190,591	6,616
At 31 st December 2020	792,297	52,936	580,678	1,425,911	32,061
Net book value					
Group & Charity:					
At 31 st December 2020	5,626,037	5,757	248,010	5,879,804	8,789
At 31 st December 2019	5,718,081	7,224	294,372	6,019,677	15,405

With the exception of certain improvements and additions since 1983, the College buildings are not included in the balance sheet since the use of the College was originally a gift from the Presbyterian church in England (now the United Reformed Church), the value of which cannot be readily ascertained without excessive cost. In addition there is a covenant in perpetuity restricting the use of the college for purposes wider than that of a theological college: hence an open market value cannot be applied.

The College also owns certain tangible assets, which have been acquired or donated to it over the years since its foundation, not included in the balance sheet since to obtain a reliable valuation is not practicable. These include the Academic library and other book collections with an insurance valuation in excess of £1 million, historic furniture and works of art. All book collections are in regular use, either for theological study and reference, or for historical research. Other items are in use or on display as appropriate.

Heritage Assets

In addition to assets noted above, the College owns certain manuscripts and artefacts that are not in regular use, but held for their historical qualities. Most derive from the collections of the founding sisters, Agnes Lewis and Margaret Gibson, and were donated by them to the College during their lifetime. Some are displayed and others stored. The College also holds the archives, manuscripts and historic books of the United Reformed Church History Society (which is a separate charity) on behalf of the United Reformed Church. Indicative valuations have been obtained for some items held, but are not considered sufficiently robust to be reported here.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020 (continued)

8 INVESTMENTS (group and charity)**(a) Fixed asset investments**

	2020	2019
	£	£
Carrying value at beginning of year	1,590,280	1,344,292
Net gains/(losses)	100,013	245,988
Carrying value at end of year	<u>1,690,293</u>	<u>1,590,280</u>
Investments at book cost	<u>1,020,726</u>	<u>1,020,726</u>

Investments are held for the long term and comprise units in UK common investment funds at market value. All investments are held in the COIF Charities Ethical Investment Fund, a fund whose ethical policy closely matches that of the Trustees. The Trustees believe that the carrying value of the investments is supported by their underlying net assets.

b) Investment in Subsidiary undertaking

Westminster College Cambridge has one subsidiary company, Westminster College Trading Limited (Company number 8855396). This company was incorporated on 22 January 2014 and is incorporated in England and Wales; its registered office is located at Westminster College, Madingley Road, Cambridge, CB3 0AA. The principal activities of the company are the provision of accommodation, meeting rooms, conference facilities and events at Westminster College. The investment of Westminster College Cambridge in Westminster College Trading Limited comprises 10,000 shares of £1 each, being the entire issued share capital of the company. The United Reformed Church Trust is the custodian trustee of the shares held in Westminster College Trading Limited. Westminster College Trading Limited distributes its taxable profits to Westminster College by Gift Aid.

A summary of the financial results of the company for the period to 31 December 2020 is shown below. Accounts of the company will be filed with the Registrar of Companies.

Profit and loss account

	Year ended	Year ended
	<u>31 December</u>	<u>31 December</u>
	<u>2020</u>	<u>2019</u>
	£	£
Turnover	108,648	787,586
Administrative expenses	(375,623)	(650,533)
Profit on ordinary activities before taxation	(266,975)	137,053
Taxation	-	-
Retained profit:		
At 1 January	137,053	145,530
Distribution	-	(145,530)
At 31 December	<u>(129,923)</u>	<u>137,053</u>

Balance sheet

	<u>31 December</u>	<u>31 December</u>
	<u>2020</u>	<u>2019</u>
	£	£
Current assets:		
Debtors	222	83,248
Amount owing by parent undertaking	-	144,409
Cash at bank	9,685	9,830
	9,907	237,487
Creditors	(60,980)	(90,434)
Amount owed to parent undertaking	(68,850)	-
Total assets	<u>(119,923)</u>	<u>147,053</u>
Capital and reserves:		
Share capital	10,000	10,000
Profit and loss account	<u>(129,923)</u>	<u>137,053</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020 (continued)

9 DEBTORS

	2020		2019	
	Group £	Charity £	Group £	Charity £
Prepayments and accrued income	29,562	29,562	154,906	71,658
Due from Westminster College Trading Ltd	-	69,766	-	-
Other debtors	24,101	23,879	8,720	8,720
	<u>53,663</u>	<u>123,207</u>	<u>163,626</u>	<u>80,378</u>

10 CREDITORS: amounts falling due within one year

	2020		2019	
	Group £	Charity £	Group £	Charity £
Trade creditors	7,233	7,233	42,611	33,868
Due to United Reformed Church Trust	438,687	437,386	214,627	214,627
Due to Westminster College Trading Ltd	-	-	-	146,694
Accruals	47,667	44,456	68,458	66,243
Deferred income	76,150	22,881	111,131	29,370
Other creditors	54,869	52,585	104	104
	<u>624,606</u>	<u>564,541</u>	<u>436,931</u>	<u>490,906</u>

Movements in deferred income:

Balance at 1 January	111,131	29,370	114,984	7,881
Received in the year	63,302	309	300,680	57,010
Refunded in year	(9,506)	(4,060)	-	-
Transferred to income	(88,777)	(2,738)	(304,533)	(35,521)
Balance at 31 December	<u>76,150</u>	<u>22,881</u>	<u>111,131</u>	<u>29,370</u>

The deferred income consists of rent received in advance and amounts received for conferences and events and Bed & Breakfast accommodation for future bookings.

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group:	Endowment funds	Restricted funds	Designated funds	General funds	Total
Fund balances at 31 December 2020 are represented by:	£	£	£	£	£
Intangible assets	-	-	-	8,789	8,789
Tangible assets	323,044	-	4,081,734	1,475,026	5,879,804
Investment assets	840,522	311,267	290,908	247,597	1,690,294
Net current assets	-	192,256	90,245	(269,675)	12,826
Total net assets	<u>1,163,566</u>	<u>503,523</u>	<u>4,462,887</u>	<u>1,461,737</u>	<u>7,591,713</u>

Group:

Fund balances at 31 December 2019 are represented by:

Intangible assets	-	-	-	15,405	15,405
Tangible assets	323,044	-	4,266,620	1,430,013	6,019,677
Investment assets	790,789	292,850	273,695	232,946	1,590,280
Net current assets	-	109,420	74,613	2,991	187,024

WESTMINSTER COLLEGE CAMBRIDGE

Total net assets	1,113,833	402,270	4,614,928	1,681,355	7,812,386
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020 (continued)

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)

Charity:	Endowment funds	Restricted funds	Designated funds	General funds	Total
Fund balances at 31 December 2020 are represented by:	£	£	£	£	£
Intangible assets	-	-	-	8,789	8,789
Tangible assets	323,044	-	4,081,734	1,475,026	5,879,804
Investment assets	840,522	311,267	290,908	247,597	1,690,294
Investment in subsidiary	-	-	-	10,000	10,000
Net current assets	-	192,256	90,245	(12,700)	265,085
Total net assets	1,163,566	503,523	4,462,887	1,728,712	7,853,972

Charity:

Fund balances at 31 December 2019 are represented by:

Intangible assets	-	-	-	15,405	15,405
Tangible assets	323,044	-	4,266,620	1,430,013	6,019,677
Investment in subsidiary	790,789	292,850	273,695	232,946	1,590,280
Investment assets	-	-	-	10,000	10,000
Net current assets	-	109,420	74,613	(144,062)	39,971
Total net assets	1,113,833	402,270	4,614,928	1,544,302	7,675,333

12 SUMMARY OF FUND MOVEMENTS

2020 Movements

SUMMARY OF FUND MOVEMENTS
for the year ended 31 December

	Balance 1 Jan 2020 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2020 £	Balance 31 Dec 2019 £
Capital Funds - Group & Charity							
College General Fund	323,044	0	0	0	0	323,044	323,044
Chair Endowment Fund	410,896	0	0	0	25,842	436,738	410,896
College Library Fund	63,231	0	0	0	3,977	67,208	63,231
Book Grants Fund	22,925	0	0	0	1,442	24,367	22,925
EW Todd Memorial Fund	7,271	0	0	0	457	7,728	7,271
Janet Hastings Barlow Fund	29,662	0	0	0	1,865	31,527	29,662
Lewis & Gibson Scholarship Fund	256,804	0	0	0	16,150	272,954	256,804
Total Capital Funds - Charity	1,113,833	0	0	0	49,733	1,163,566	1,113,833
Designated Funds - Group & Charity							
Sale of Nestle Library Fund	276,110	8,722	0	(8,722)	17,213	293,323	276,110
Access Fund	60,600	12,399	(4,116)	0	0	68,883	60,600
Development Fund	4,266,619	0	(177,831)	0	0	4,088,788	4,266,619
Alumni Fund	11,599	5,033	(4,739)	0	0	11,893	11,599
Total Designated Funds	4,614,928	26,154	(186,686)	(8,722)	17,213	4,462,887	4,614,928

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020 (continued)

12 SUMMARY OF FUND MOVEMENTS (Continued)

	Balance 1 Jan 2020 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2020 £	Balance 31 Dec 2019 £
Restricted Funds - Group & Charity							
Healey Legacy Fund	5,632	0	0	0	0	5,632	5,632
Chair Endowment Fund	0	21,291	0	(14,895)	(1)	6,395	0
College Library Fund	40,722	3,155	(1,741)	0	2,249	44,385	40,723
Book Grants Fund	12,090	731	(200)	0	(0)	12,620	12,090
EW Todd Memorial Fund	2,200	283	0	0	101	2,583	2,200
Janet Hastings Barlow Fund	10,464	1,172	0	0	448	12,084	10,464
Peter Barraclough Travel Fund	12,415	350	0	0	690	13,455	12,415
Mary Tod Memorial Fund	3,044	63	0	0	125	3,232	3,044
Principal's Discretionary Fund	75,793	4,039	(2,455)	0	3,981	81,359	75,793
Reid Lecture Fund	207,825	5,485	(5,126)	0	10,824	219,009	207,826
Lewis & Gibson Scholarship Fund	22,085	8,184	(12,500)	0	0	17,769	22,085
Bursary Fund	10,000	0	0	0	0	10,000	10,000
Tower Fund	0	75,000	0	0	0	75,000	0
Total Restricted Funds - Group & Charity	402,270	119,752	(22,021)	(14,895)	18,417	503,523	402,271
Unrestricted Funds							
General Fund - Charity	1,534,302	1,222,166	(1,489,613)	23,617	14,650	1,305,122	1,534,302
General Fund - Subsidiary	147,053	108,648	(99,086)	0	0	156,615	147,053
Total Unrestricted Funds - Group & Charity	1,681,355	1,330,814	(1,588,700)	23,617	14,650	1,461,737	1,681,355
Totals	7,812,385	1,476,721	(1,797,407)	(0)	100,013	7,591,712	7,812,387

2019 Movements

	Balance 1 Jan 2019 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2019 £
Capital Funds - Group & Charity						
College General Fund	323,044	-	-	-	-	323,044
Chair Endowment Fund	347,338	-	-	-	63,558	410,896
College Library Fund	53,450	-	-	-	9,781	63,231
Book Grants Fund	19,379	-	-	-	3,546	22,925
EW Todd Memorial Fund	6,146	-	-	-	1,125	7,271
Janet Hastings Barlow Fund	25,074	-	-	-	4,588	29,662
Lewis & Gibson Scholarship Fund	217,081	-	-	-	39,723	256,804
Total Capital Funds - Charity	991,512	-	-	-	122,321	1,113,833
Designated Funds - Group & Charity						
Sale of Nestle Library Fund	233,774	8,554	-	(8,554)	42,336	276,110
Access Fund	47,438	14,446	(1,284)	-	-	60,600
Development Fund	4,659,135	-	(166,209)	(226,307)	-	4,266,619
Alumni Fund	21,290	3,600	(13,291)	-	-	11,599
Total Designated Funds	4,961,637	26,600	(180,784)	(234,861)	42,336	4,614,928

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020 (continued)

2019 Movements (continued)

	Balance 1 Jan 2019 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2019 £
Restricted Funds - Group & Charity						
Healey Legacy Fund	5,978	-	(346)	-	-	5,632
Chair Endowment Fund	-	14,642	-	(14,642)	-	-
College Library Fund	35,602	3,094	(3,504)	-	5,532	40,723
Book Grants Fund	11,169	1,116	195	-	-	12,090
EW Todd Memorial Fund	1,676	277	0	-	247	2,200
Janet Hastings Barlow Fund	8,214	1,149	0	-	1,100	10,464
Peter Barraclough Travel Fund	10,434	343	(60)	-	1,698	12,415
Mary Tod Memorial Fund	2,676	62	-	-	306	3,044
Principal's Discretionary Fund	65,671	3,434	(3,105)	-	9,792	75,793
Reid Lecture Fund	178,465	5,379	(2,641)	-	26,623	207,826
Lewis & Gibson Scholarship Fund	14,059	8,026	0	-	-	22,085
Bursary Fund	10,000	-	-	-	-	10,000
Total Restricted Funds - Group & Charity	343,944	37,522	(9,852)	(14,642)	45,298	402,271
Unrestricted Funds						
General Fund - Charity	1,385,610	1,121,717	(1,248,559)	249,502	36,033	1,544,302
General Fund - Subsidiary	145,530	787,586	(796,063)	-	-	137,053
Total Unrestricted Funds - Group & Charity	1,531,140	1,909,303	(2,044,622)	249,502	36,033	1,681,355
Totals	7,828,233	1,973,425	(2,235,258)	-	245,988	7,812,387

13 DESIGNATED FUNDS**(a) Sale of Nestlé Library**

This fund arose from the sale of a German language theological library in 1996 when the Board of governors set aside the proceeds for an unspecified future purpose. The trustees agreed in 2010 to hold this fund as a reserve fund.

(b) Development

This fund met the costs of the college refurbishment programme in 2013-14, and now holds the assets acquired as a result.

(c) Access fund

This fund was set up by the Board of Governors in 2014, using part of the proceeds of sale of two properties in 2013. It is intended to provide financial assistance where needed to those wishing to access the College's courses and activities.

(d) Alumni Fund

This fund was set up by the Board of Governors in 2018 when The Friends' of Westminster and Cheshunt Colleges was disbanded its remaining funds were transferred to Westminster College. The fund will be used help Alumni maintain links with the College.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020 (continued)

14 RESTRICTED FUNDS

- (a) The Restricted Funds of the College, their incoming resources and resources expended are shown in the Summary of Fund Movements. Many arise from past donations or bequests and all are being used for their specified purposes to the extent that available funds and relevant purposes allow.
- (b) The Healey Legacy fund may be used for academic or general purposes, the only restriction being that the authority of the Senatus is required.
- (c) The Reid Lecture Fund is used to meet the costs of a lecture which takes place 'at least every three years' at Westminster College.
- (d) The Principal's Discretionary Fund are funds that are at the discretion of the Principal and is used mainly for student support.
- (e) The College Library Fund is used to meet some of the costs of running the College library.
- (f) The Lewis & Gibson Scholarship Fund helps provide a scholarship each year for a student studying to become a URC minister.

15 RELATED PARTY TRANSACTIONS

Westminster College Cambridge is a charity whose governance is controlled by United Reformed Church Trust, a company limited by guarantee (Company number 135934, Registered Charity number 1133373) and the principal purposes and activities of which are to advance the Christian religion for the benefit of the public in accordance with the doctrines, principles and usages, and the Scheme of Union of the United Reformed Church. The United Reformed Church Trust appoints a majority of the Board of Governors. The principal address of United Reformed Church Trust is 86 Tavistock Place, London WC1H 9RT. Consolidated financial statements can be obtained from the secretary at this address.

During the year the United Reformed Church Trust paid £390k (2019: £398k) to Westminster College as a contribution to the teaching costs of the College and the College's membership of the CTF and a further grant of £100k (2019: nil) to help alleviate the effect Covid 19 had on the group's income.

16 THE UNITED REFORMED CHURCH FINAL SALARY SCHEME

The College contributed £170,039 (2019: £212,674) to The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). At 31 December 2020, 33 College staff were contributing members (via the principal employer, The United Reformed Church) out of a total of about 152 active members. The scheme is a defined benefit scheme but the College is unable to identify its share of the underlying assets and liabilities – each member in the scheme pays a common contribution rate. The most recent formal actuarial review of the scheme was at 30 September 2019, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

- Discount rate: Initial rate of gilt yield curve plus 1.84% p.a. at the valuation date tapering linearly to gilt yield curve plus 0.5% p.a. over a transition period of 15 years for past service liabilities and 33 years for future service liabilities
- Pensionable earnings growth of CPI Inflation plus 0.75% p.a. at each term
- Price inflation and pension increases at RPI Inflation less 1% p.a. at each term
- Retirement age (active members) of 65, with maximum commutation

Contributions by members is currently 7.5% of pensionable salary.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020 (continued)

17 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2019

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
Donations and legacies							
Donations		821	18,046	3,656	-	22,523	35,788
Grants receivable	2	59,992	-	-	-	59,992	56,844
Legacies		-	-	-	-	-	5,000
		<u>60,813</u>	<u>18,046</u>	<u>3,656</u>		<u>82,515</u>	<u>97,632</u>
Charitable activities							
Academic services		422,106	-	-	-	422,106	396,190
Academic accommodation & conferences		463,800	-	-	-	463,800	426,379
		<u>885,906</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>885,906</u>	<u>822,569</u>
Other trading activities	3	787,586	-	-	-	787,586	744,462
Investment Income	4	8,340	8,554	33,866	-	50,760	49,872
Other income							
Management fees		14,296	-	-	-	14,296	19,744
Other income		6,832	-	-	-	6,832	8,536
		<u>21,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,128</u>	<u>28,280</u>
<i>Total income and endowments</i>		<u>1,763,773</u>	<u>26,600</u>	<u>37,522</u>		<u>1,827,895</u>	<u>1,742,815</u>
Expenditure on:							
Raising funds							
Trading expenditure	3	650,533	-	-	-	650,533	598,932
Charitable activities:							
Academic services	5(a)	614,679	14,575	9,852	-	639,106	601,547
Academic accommodation & conferences	5(b)	633,882	-	-	-	633,882	588,937
College Development		-	166,209	-	-	166,209	174,298
		<u>1,248,561</u>	<u>180,784</u>	<u>9,852</u>	<u>-</u>	<u>1,439,197</u>	<u>1,364,782</u>
<i>Total expended</i>		<u>1,899,094</u>	<u>180,784</u>	<u>9,852</u>	<u>-</u>	<u>2,089,730</u>	<u>1,963,714</u>
(Loss) /Gains from trading and charitable activities		(135,321)	(154,184)	27,670	-	(261,835)	(220,899)
Net gains /(loss) on investments		36,033	42,336	45,298	122,321	245,988	(41,120)
<i>Net (expenditure)/income</i>		<u>(99,288)</u>	<u>(111,848)</u>	<u>72,968</u>	<u>122,321</u>	<u>(15,847)</u>	<u>(262,019)</u>
Transfers		249,503	(234,861)	(14,642)	-	-	-
<i>Net movement in funds</i>		<u>150,215</u>	<u>(346,709)</u>	<u>58,326</u>	<u>122,321</u>	<u>(15,847)</u>	<u>(262,019)</u>
Total funds brought forward at 1 January		1,531,140	4,961,637	343,944	991,512	7,828,233	8,090,252
Total funds carried forward at 31 December		<u>1,681,355</u>	<u>4,614,928</u>	<u>402,270</u>	<u>1,113,833</u>	<u>7,812,386</u>	<u>7,828,233</u>