

WESTMINSTER COLLEGE

CAMBRIDGE

**Trustees'
Annual Report And
Consolidated Financial Statements
2022**

(Registered charity number 311449)

WESTMINSTER COLLEGE CAMBRIDGE

TRUSTEES' REPORT 2022

The Directors, who are also Trustees of the charity, submit their report and the audited consolidated financial statements for the year ended 31 December 2022. 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 2022 to June 2023 inclusive. The remainder of this report covers the calendar year 2022.

Board of Governors:

Revd Nigel Uden (Convener) *(T)
Revd Jan Adamson *(T) (resigned July 2022)
Mr John Ellis *(T)
Dr Alison Gray (Teaching Staff representative, resigned October 2022)
Revd Dr Rick Mearkle (Teaching Staff representative, from October 2022)
Mr Andrew Grimwade *(Treasurer)
Fr Dragos Herescu (appointed by Cambridge Theological Federation)
Mr William McVey (T) (appointed by Cheshunt Foundation)
Revd Dr Robert Pope (T) (Acting Principal, ex officio)
Revd Stuart Scott *(T)
Mrs Darnette Whitby-Reid *(T)
Dr Giles Waller (appointed by Cambridge University)
Mr Christopher Wright (Clerk) *(T) (Resigned July 2022)
Revd Naomi Young-Rodas (Clerk from July 2022)
Ms Ruth Dewis (Student representative to July 2022)
Mrs Stephanie Atkins (Student Representative from July 2022)
* = 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, to 3 January 2022)
Mr Ian Hardie (Hon Treasurer of the United Reformed Church)
Revd Jennifer Mills (Secretary for Education & Learning of the United Reformed Church)
Mr Simon Shinkfield (Bursar and General Manager, from July 2022)

The Trustees are assisted by:

Board of Studies:

Revd Stuart Scott (Convener)
Revd Peter Ball
Revd William Bowman
Dr Alison Gray
Revd Dr Rick Mearkle
Mrs Val Morrison (Clerk)
Revd Dr Robert Pope
Revd Dr Jonathan Soyars
Revd Nigel Uden

Ms Ruth Dewis (Student representative from June 2021)

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Management Committee:

Mr John Ellis (Convener)
Mr Andy Fleming (Clerk)
Ms Ruth Dewis (Student representative to July 2022)
Mrs Stephanie Atkins (Student Representative from July 2022)
Mr Andrew Grimwade (Treasurer)
Dr Augur Pearce
Mr David Thomas (from September 2022)
Mr Robert Buss (died January 2023)
Revd Dr Robert Pope (Acting Principal)
Revd Dr Jonathan Soyars (Director of Cheshunt Foundation)
Revd Nigel Uden (Convener of Board of Governors)

Officers

Teaching Staff (Senatus)

Revd Dr Robert Pope (Director in Church History and Doctrine; Acting 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; Director of the Cheshunt Foundation)

Bursar

Mr John Ellis (Honorary Interim Bursar to July 2022)
Mr Simon Shinkfield (Bursar and General Manager from July 2022)

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

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

Independent Auditors

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

Bankers

Lloyds Bank plc
3 Sidney Street
Cambridge
CB2 3HG

WESTMINSTER COLLEGE CAMBRIDGE

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, amended by Mission Council in March 2018. 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'). The Governors of Westminster College who are eligible to serve as Charity Trustees and are members of the United Reformed Church are the Trustees 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 six 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 and General Manager. The Principal attends all Boards and Committees. A member of the Senatus attends the Management Committee as a Director of the Cheshunt Foundation. 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 and General Manager. 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.

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 Dr Robert Pope; Mr John Ellis (Chairman) and Ms Margaret Sennitt (also Company Secretary).

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Other relationships

- A. In 1967 Cheshunt College, Cambridge merged its operations with those of Westminster College. 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.
- C. The Cambridge Centre for Christianity Worldwide (CCCW) 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 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.

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. 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 key areas of risks facing the College relate to academic programmes, finance and the College premises as well as the residual risks of Covid-19 restrictions. The Governors closely monitored the phase out of Covid-19 restrictions and associated risks. Following government advice and the decision of the Federation, Westminster's academic activities gradually returned to in-person teaching throughout the year, though continuing to also offer hybrid teaching options. On-campus and face-to-face business gradually resumed, though with reduced administrative and operational staffing levels, resulting from pandemic necessitated staff redundancies and resignations. The College enacted careful budgeting in response to market uncertainty to ensure prudent operational existence for the foreseeable future.

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 as 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 review regularly and, if necessary, extend its policies and procedures. The College is extremely well served by a committed team of administrative and support staff and a part-time Estates Manager who work to ensure that the buildings at Westminster are properly maintained and looked after.

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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 objectives, the Charity must maintain the Grade 2 listed buildings, administer and maintain various scholarship funds and to care for a large collection of books, artefacts and historic documents.

Review of performance for 2022:

1. Monitor and re-evaluate the College's business exiting the pandemic, while continuing to offer high quality services to all who use Westminster.

The commercial and ancillary businesses, comprising Accommodation, Catering and Conference and Events, were severely affected by the Covid-19 pandemic. Temporary kitchen arrangements and agency staff covered until market certainty returned. Fifteen accommodation rooms in the East Wing were leased to Lucy Cavendish College as student accommodation for the academic year 2021-22. The Governors considered the secure stream of income to be a prudent decision and continued the engagement with Lucy Cavendish College for the academic year 2022-23.

2. Expand upon the work of the Medium Term Strategy Group in considering the future strategic direction of the college.

The Governors established a Medium Term Strategy Group (MTSG) in 2021 to consider college operations and make recommendations about future activity. The work of the MTSG and its final report has been developed into a long-term strategy and financial plan for the College. Advanced drafts were considered by the Governors in December 2022. This work is to be continued and finalised in 2023.

3. Gradual resumption and increase of business with cautious expansion to staffing levels and financial management.

As College business has continued to increase, Governors have striven to balance staffing levels with operational demands. There has been a gradual expansion of staffing towards pre-pandemic levels. The Governors decided that additional expenditure towards the end of 2022, while in advance of complementary revenue, was essential to ensure the college could deliver increased commitments and seize new opportunities in 2023.

Objectives for 2023

1. Finalise and publicise a challenging but exciting Strategic Plan and associated Financial Plan to 2030.
2. Recruit replacements for two retiring members of Senatus and commence recruiting process for a new College Principal.
3. Explore provision and expansion of academic programmes to new audiences.
4. Agree longer term funding patterns from the central URC budget.
5. Develop the commercial operations and opportunities based on robust costs data.
6. Expand the underpinning finances through the establishment of an endowment fund to maintain the upkeep of the building and attend to the ongoing operational requirements in the medium and long term.

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,

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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, 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 Federation.
- 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. This has primarily returned to in-person engagement, with some online provision remaining. Training for ministry has remained free, with the only charges being 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 high quality 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.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The results for the year are shown in the Consolidated Statement of Financial Activities on page 13. The College had a net decrease in funds of £370,301 (2021: increase of £220,611), which comprised:

	2022	2021
	£	£
Donations, grants and legacies	401,831	272,116
Income from charitable activities	716,778	499,289
Activities for generating funds	366,746	230,430
Investment income	56,508	51,765
Other income	47,873	333,864
<i>Total income</i>	1,589,736	1,387,464
Expenditure on:		
Raising funds	201,519	67,481
Charitable activities	1,520,252	1,326,975
<i>Total expended</i>	1,721,771	1,394,455
Net loss	(132,035)	(6,992)
Net gain/(loss) on investments	(238,266)	227,603
	(370,301)	220,611

Income and expenditure

Overall, total income increased by £202,272 from 2021, largely due to the gradual resumption of college activities and operations following the easing of Covid-19 restrictions. In considering trends and anticipating the increased levels of business, the Governors determined it necessary to increase staff levels to capitalise on future commercial opportunities. Additional expenditure was resultantly incurred, resulting in a net loss of £132,035. The net impact of the year was compounded by a net loss on investments of £238,266, offsetting the atypical increase in 2021.

Reserves Policy

At 31 December 2022, total unrestricted income funds (general and designated) totalled £5,660,953 (2021: £5,944,331). However, this is mostly held in fixed College assets. Unrestricted liquid funds totalled £127,033 (2021: £220,157). The College holds just over £291,000 in the Sale of the Nestle Library designated fund, which can be repurposed should the need arise. The Trustees hope the return to a regular balanced budget will allow the College to build up free reserves equivalent to 3 months income (i.e. around £400k) without having to make use of this designated fund.

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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, 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.

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 are encouraged that the trading subsidiary returned to profit this year and expects next year to have even greater results. In 2023, the College has signed a Loan Agreement with the United Reformed Trust to confirm the provision of a £395,000 loan to support the College following the extreme demands of the Covid lockdown period. The United Reformed Church Trust has also granted a line of credit up to an additional £200,000. This 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. 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 lasting impact of the Covid-19 pandemic as well as inflationary pressures from the current economic climate on the viability of the charitable group. 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.

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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 28 June 2023 and signed on its behalf by:



Nigel Uden
Convener

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WESTMINSTER COLLEGE CAMBRIDGE

Opinion

We have audited the financial statements of Westminster College Cambridge (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2022 which the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 group's and parent charity's affairs as at 31 December 2022, and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 contained within the annual report. 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.

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 course of 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 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.

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

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- 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 8, 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 group and parent 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 group or parent 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.

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 group and parent 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 group and parent 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 group or parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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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.

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

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

The objectives of our audit in respect 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 Charity 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.
- 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.
- 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.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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: 28 September 2023

9 Appold Street,
London,
EC2M 2AD

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

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2022

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations and legacies							
Donations		41,952	700	2,793	-	45,445	36,355
Grants receivable	2	257,177	7,209	92,000	-	356,386	235,761
		<u>299,129</u>	<u>7,909</u>	<u>94,793</u>	<u>-</u>	<u>401,831</u>	<u>272,116</u>
Charitable activities							
Academic services		260,496	-	-	-	260,496	269,695
Academic accommodation & conferences		456,282	-	-	-	456,282	229,594
		<u>716,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>716,778</u>	<u>499,289</u>
Other trading activities	3	366,746	-	-	-	366,746	230,430
Investment Income	4	11,473	9,081	35,954	-	56,508	51,765
Other income							
Management fees		17,231	-	-	-	17,231	18,323
Net gains on sale of properties		-	-	-	-	-	290,039
Other income		30,642	-	-	-	30,642	25,502
		<u>47,873</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,873</u>	<u>333,864</u>
Total income and endowments		<u>1,441,999</u>	<u>16,990</u>	<u>130,747</u>	<u>-</u>	<u>1,589,736</u>	<u>1,387,464</u>
Expenditure on:							
Raising funds							
Trading expenditure	3	201,519	-	-	-	201,519	67,481
Charitable activities:							
Academic services	5(a)	676,204	1,928	26,017	-	704,149	673,505
Academic accommodation & conferences	5(b)	631,892	228	9,268	-	641,388	478,755
College development		-	174,715	-	-	174,715	174,716
		<u>1,308,096</u>	<u>176,871</u>	<u>35,285</u>	<u>-</u>	<u>1,520,252</u>	<u>1,326,976</u>
Total expended		<u>1,509,615</u>	<u>176,871</u>	<u>35,285</u>	<u>-</u>	<u>1,721,771</u>	<u>1,394,457</u>
(Loss)/Surplus from trading and charitable activities		(67,616)	(159,881)	95,462	-	(132,035)	(6,993)
Net loss on investments		(34,902)	(41,007)	(43,876)	(118,481)	(238,266)	227,604
Net (expenditure)/income		<u>(102,518)</u>	<u>(200,888)</u>	<u>51,586</u>	<u>(118,481)</u>	<u>(370,301)</u>	<u>220,611</u>
Transfers		29,109	(9,081)	(20,028)	-	-	-
Net movement in funds		<u>(73,409)</u>	<u>(209,969)</u>	<u>31,558</u>	<u>(118,481)</u>	<u>(370,301)</u>	<u>220,611</u>
Total funds brought forward at 1 January		1,615,559	4,328,772	591,248	1,276,745	7,812,324	7,591,713
Total funds carried forward at 31 December		<u>1,542,150</u>	<u>4,118,803</u>	<u>622,806</u>	<u>1,158,264</u>	<u>7,442,023</u>	<u>7,812,324</u>

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 2022

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Fixed assets					
Intangible assets	7	-	-	4,394	4,394
Tangible assets	7	5,819,165	5,819,165	5,741,747	5,741,747
Investments	8(a)	1,679,631	1,679,631	1,917,897	1,917,897
Investment in Subsidiary	8(b)	-	10,000	-	10,000
		<u>7,498,796</u>	<u>7,508,796</u>	<u>7,664,038</u>	<u>7,674,038</u>
Current assets					
Debtors					
Cash at bank and in hand	9	152,075	121,009	64,780	126,990
		579,888	530,005	811,616	801,923
		731,962	651,014	876,396	928,913
Creditors: amounts falling due within one year	10	(788,736)	(774,286)	(728,110)	(681,897)
Net current (liabilities)/assets		(56,773)	(123,272)	148,286	247,016
Total assets less current liabilities		<u>7,442,023</u>	<u>7,385,524</u>	<u>7,812,324</u>	<u>7,921,054</u>
Unrestricted income funds					
General reserves		1,542,150	1,485,651	1,615,559	1,724,289
Designated funds	13	4,118,803	4,118,803	4,328,772	4,328,772
Unrestricted funds		5,660,953	5,604,454	5,944,331	6,053,061
Restricted income funds	14	622,806	622,806	591,248	591,248
Capital funds		1,158,264	1,158,264	1,276,745	1,276,745
TOTAL FUNDS	11&12	<u>7,442,023</u>	<u>7,385,524</u>	<u>7,812,324</u>	<u>7,921,054</u>

Approved and authorised for issue by the Board of Governors on 28 June 2023

Trustee



Trustee



WESTMINSTER COLLEGE CAMBRIDGE

Consolidated statement of cash flows for the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net (outgoing)/incoming resources and movement in funds (see page 12)	(370,301)	220,611
Adjustments for:		
Increase in debtors	(87,295)	(11,117)
Increase /(decrease) in creditors	60,626	103,504
Depreciation of fixed assets	213,050	191,472
Amortisation of intangible assets	4,394	4,395
Loss/(gain) on investment assets	238,266	(227,604)
Loss/(gain) on fixed assets	-	(290,039)
Cash flows generated/ (expended) from operations	<u>58,740</u>	<u>(8,778)</u>
Cash flows from investing activities		
Payments to acquire tangible assets	(290,468)	(138,365)
Proceeds from sales of fixed assets	-	374,989
	<u>(290,468)</u>	<u>236,624</u>
Net (decrease)/increase in cash and cash equivalents	(231,728)	227,846
At 1 January 2022	811,616	583,770
At 31 December 2022	<u>579,888</u>	<u>811,616</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022

1 PRINCIPAL ACCOUNTING POLICIES

(i) Accounting basis

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) 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 charity. 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 2022 (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 were in this period 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 were 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 2022 (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 world occurrences on the viability of the College and its subsidiary, as more fully explained in the Trustees Report. The Trading subsidiary has returned to profit. In addition, in 2023, the College has signed a Loan Agreement with the United Reformed Trust to confirm the provision of a £395,000 loan to support the College following the extreme demands of the Covid lockdown period. The United Reformed Church Trust has also granted a line of credit up to an additional £200,000. The College therefore has sufficient financial support to enable the College 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 include 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 2022 totalled £66,988 (2021: £60,518).

3 OTHER TRADING ACTIVITIES

	2022 £	2021 £
Income		
Bed and breakfast accommodation	125,764	148,294
Dinners, weddings and other events	240,982	82,136
	<u>366,746</u>	<u>240,430</u>
Less: Costs of activities for generating funds		
Direct costs	(5,096)	(10,027)
Staff costs and overheads	(196,423)	(57,454)
	<u>(201,519)</u>	<u>(67,481)</u>
Net surplus of activities for generating funds	<u>165,227</u>	<u>162,949</u>

4 INVESTMENT INCOME (group and charity)

	2022 £	2021 £
Unitised Funds	54,723	51,274
Interest on short term investments and bank deposits	1,785	491
	<u>56,508</u>	<u>51,765</u>

Investment income is split between the College funds as follows:

	2022 £	2021 £
Unrestricted	11,473	7,619
Designated	9,081	8,902
Restricted	35,954	35,244
	<u>56,508</u>	<u>51,765</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

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

	2022	2021
	£	£
Academic services:		
Teaching staff stipends & salaries	293,324	240,577
University and federation fees	29,424	28,082
Grants to student and teachers	17,603	3,300
Library	942	2,558
Miscellaneous	10,784	3,887
Support costs (Note 5b)	352,072	395,101
	<u>704,149</u>	<u>673,505</u>

	2022	2021
	£	£
Academic accommodation & conferences:		
Food	61,631	30,193
Staff costs – catering, domestic and maintenance	167,479	7,061
Maintenance let properties	22,380	15,712
College running costs	37,826	30,688
Support costs (Note 5b)	352,072	395,101
	<u>641,388</u>	<u>478,755</u>

5(b) SUPPORT COSTS (group and charity)

	2022	2021
	£	£
College security and maintenance	115,834	102,090
Utilities	71,178	53,580
Business rates and insurance	41,432	36,673
Irrecoverable VAT	48,298	57,465
Staff costs – office and management	322,642	459,278
Other office costs	104,727	80,948
Governance costs	33	169
	<u>704,144</u>	<u>790,202</u>

50% shared between academic services & academic accommodation 352,072 395,101

The total audit fee for the group is £17,385 (2021: £20,795) and £13,185 (2021: £17,300) for the charity.

6 STIPEND AND SALARY COSTS (group and charity)

	2022	2021
	£	£
During the year the following stipend and salary costs were incurred:		
Ministers 3 (2021: 4)		
Stipends and allowances	126,608	110,390
Social security costs	17,525	10,758
Pension contributions	29,384	19,255
	<u>173,517</u>	<u>140,403</u>
Lay staff 24 (2021: 23)		
Wages and salary	543,186	439,650
Social security costs	45,979	32,341
Pension contributions	80,069	97,196
Redundancy costs	10,636	7,891
	<u>679,870</u>	<u>577,078</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

No minister or employee received emoluments exceeding £60,000 during 2022 or 2021. No Trustee received remuneration in respect of their services as Trustee other than the reimbursement of travel and other expenses to eight individuals during 2022 totalling £2,150 (2021: five individuals totalling £860).

Current key management personnel are the Acting Principal and Bursar and General Manager (2021: also included the Vice Principal); of these, the Acting Principal is a minister and the other is lay staff. The total of employee benefits for key management personnel was £88,820 (2021: £150,021).

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 2022	6,448,868	58,693	846,376	7,353,937	40,850
Additions during the year	246,376	5,972	38,120	290,468	-
At 31 st December 2022	6,695,244	64,665	884,496	7,644,405	40,850
Accumulated depreciation					
At 1 st January 2022	901,306	56,481	654,403	1,612,190	36,456
Charged during the year	132,554	2,991	77,505	213,050	4,394
At 31 st December 2022	1,033,860	59,472	731,908	1,825,240	40,850
Group & Charity:					
At 31 st December 2022	5,661,384	5,193	152,588	5,819,165	-
At 31 st December 2021	5,547,562	2,212	191,973	5,741,747	4,394

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.

WESTMINSTER COLLEGE CAMBRIDGE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

8 INVESTMENTS (group and charity)

(a) Fixed asset investments

	2022	2021
	£	£
Carrying value at beginning of year	1,917,897	1,690,293
Net (losses)/gains	(238,266)	227,604
Carrying value at end of year	<u>1,679,631</u>	<u>1,917,897</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. Due to market movements, the year-end value of the investments has fallen by 12.4% and is valued at levels similar to the commencement of 2021.

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 trustee of the shares held in Westminster College Trading Limited. Westminster College Trading Limited distributes its taxable profits to Westminster College.

A summary of the financial results of the company for the period to 31 December 2021 is shown below. Accounts of the company will be filed with the Registrar of Companies.

Profit and loss account

	<u>Year ended</u> <u>31 December</u> <u>2022</u>	<u>Year ended</u> <u>31 December</u> <u>2021</u>
	£	£
Turnover	366,746	82,186
Administrative expenses	(201,519)	(60,991)
Profit/(loss) on ordinary activities before taxation	165,227	21,195
Taxation	-	-
Retained profit:		
At 1 January	(108,728)	(129,923)
Distribution	-	-
At 31 December	<u>56,499</u>	<u>(108,728)</u>

Balance sheet

	<u>31 December</u> <u>2022</u>	<u>31 December</u> <u>2021</u>
	£	£
Current assets:		
Debtors	31,066	-
Cash at bank	49,883	9,693
	80,949	9,693
Creditors	(17,016)	(44,192)
Amount owed by/ (to) parent undertaking	2,566	(63,509)
Total assets	<u>66,499</u>	<u>(98,728)</u>
Capital and reserves:		
Share capital	10,000	10,000
Profit and loss account	56,499	(108,728)
	<u>66,499</u>	<u>(98,728)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

9 DEBTORS

	2022		2021	
	Group £	Charity £	Group £	Charity £
Prepayments and accrued income	37,071	37,071	28,030	28,031
Due from Westminster College Trading Ltd	-	-	-	62,209
Other debtors	115,004	83,938	36,750	36,750
	<u>152,075</u>	<u>121,009</u>	<u>64,780</u>	<u>126,990</u>

10 CREDITORS: amounts falling due within one year

	2022		2021	
	Group £	Charity £	Group £	Charity £
Trade creditors	49,943	49,943	124,495	124,495
Due to United Reformed Church Trust	654,991	627,962	475,462	474,162
Due to Westminster College Trading Ltd	-	29,594	-	-
Accruals	50,121	49,271	54,629	51,133
Deferred income	21,299	6,168	49,856	8,439
Other creditors	12,382	11,348	23,668	23,668
	<u>788,736</u>	<u>774,286</u>	<u>728,110</u>	<u>681,897</u>

Movements in deferred income:

Balance at 1 January	49,856	8,439	76,150	22,881
Received in the year	92,144	72,995	32,506	2,156
Refunded in year	(4,545)	(4,545)	(12,242)	-
Transferred to income	(116,156)	(70,721)	(46,558)	(16,598)
Balance at 31 December	<u>21,299</u>	<u>6,168</u>	<u>49,856</u>	<u>8,439</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:	General funds	Designated funds	Restricted funds	Endowment funds	Total
Fund balances at 31 December 2022 are represented by:	£	£	£	£	£
Intangible assets	-	-	-	-	-
Tangible assets	1,415,117	3,732,304	348,700	323,044	5,819,165
Investment assets	246,035	289,073	309,303	835,220	1,679,631
Net current assets	(119,002)	97,426	(35,197)	-	(56,773)
Total net assets	<u>1,542,150</u>	<u>4,118,803</u>	<u>622,806</u>	<u>1,158,264</u>	<u>7,442,023</u>

Group:

Fund balances at 31 December 2021 are represented by:

Intangible assets	4,394	-	-	-	4,394
Tangible assets	1,391,008	3,907,019	120,676	323,044	5,741,747
Investment assets	280,937	330,079	353,180	953,701	1,917,897
Net current assets	(60,780)	91,674	117,392	-	148,286
Total net assets	<u>1,615,559</u>	<u>4,328,772</u>	<u>591,248</u>	<u>1,276,745</u>	<u>7,812,324</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)

Charity:	General funds	Designated funds	Restricted funds	Endowment funds	Total
Fund balances at 31 December 2022 are represented by:	£	£	£	£	£
Intangible assets	-	-	-	-	-
Tangible assets	1,415,117	3,732,304	348,700	323,044	5,819,165
Investment assets	246,035	289,073	309,303	835,220	1,679,631
Investment in subsidiary	10,000	-	-	-	10,000
Net current assets	(185,501)	97,426	(35,197)	-	(123,272)
Total net assets	1,485,651	4,118,803	622,806	1,158,264	7,385,524

Charity:

Fund balances at 31 December 2021 are represented by:

Intangible assets	4,394	-	-	-	-
Tangible assets	1,391,008	3,907,019	120,676	323,044	5,741,747
Investment assets	280,937	330,079	353,180	953,701	1,917,896
Investment in subsidiary	10,000	-	-	-	10,000
Net current assets	37,950	91,674	117,392	-	247,016
Total net assets	1,724,289	4,328,772	591,248	1,276,745	7,921,054

12 SUMMARY OF FUND MOVEMENTS

2022 Movements

	Balance 1 Jan 2022 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2022 £
Capital Funds - Group & Charity						
College General Fund	323,044	0	0	0	0	323,044
Chair Endowment Fund	495,547	0	0	0	(61,562)	433,985
College Library Fund	76,257	0	0	0	(9,474)	66,783
Book Grants Fund	27,648	0	0	0	(3,435)	24,213
EW Todd Memorial Fund	8,769	0	0	0	(1,090)	7,679
Janet Hastings Barlow Fund	35,772	0	0	0	(4,444)	31,328
Lewis & Gibson Scholarship Fund	309,708	0	0	0	(38,476)	271,232
Total Capital Funds - Charity	1,276,745	0	0	0	(118,481)	1,158,264
Designated Funds - Group & Charity						
Sale of Nestle Library Fund	332,495	9,081	0	(9,081)	(41,007)	291,488
Access Fund	66,731	7,909	(1,700)	(3,000)	0	69,940
Development Fund	3,914,073	0	(174,715)	0	0	3,739,358
Alumni Fund	15,473	0	(456)	3,000	0	18,017
Total Designated Funds	4,328,772	16,990	(176,871)	(9,081)	(41,007)	4,118,803

WESTMINSTER COLLEGE CAMBRIDGE

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022 (continued)

12 SUMMARY OF FUND MOVEMENTS (Continued)

	Balance 1 Jan 2022 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2022 £
Restricted Funds - Group & Charity						
Healey Legacy Fund	5,632	0	0	0	0	5,632
Chair Endowment Fund	6,395	15,583	0	(21,978)	0	0
College Library Fund	50,165	3,284	(942)	0	(5,357)	47,150
Book Grants Fund	13,366	961	(200)	0	0	14,127
EW Todd Memorial Fund	3,100	294	0	0	(239)	3,155
Janet Hastings Barlow Fund	14,298	1,220	(4,450)	0	(1,066)	10,002
Peter Barraclough Travel Fund	15,383	364	(1,212)	0	(1,645)	12,890
Mary Tod Memorial Fund	3,579	66	0	0	(297)	3,348
Principal's Discretionary Fund	92,568	2,000	(3,449)	0	(9,485)	81,634
Reid Lecture Fund	249,240	5,711	(4,413)	0	(25,787)	224,751
Lewis & Gibson Scholarship Fund	23,197	8,521	(2,266)	1,950	0	31,402
Bursary Fund	10,000	0	0	0	0	10,000
Tower Fund	104,325	92,743	(18,353)	0	0	178,715
Total Restricted Funds - Group & Charity	591,249	130,747	(35,285)	(20,028)	(43,876)	622,806
Unrestricted Funds						
General Fund - Charity	1,437,750	1,075,253	(1,308,096)	315,646	(34,902)	1,485,651
General Fund - Subsidiary	177,809	366,746	(201,519)	(286,537)	0	56,499
Total Unrestricted Funds - Group & Charity	1,615,559	1,441,999	(1,509,615)	29,109	(34,902)	1,542,150
Totals	7,812,325	1,589,736	(1,721,771)	0	(238,266)	7,442,023

2021 Movements

	Balance 1 Jan 2021 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2021 £
Capital Funds - Group & Charity						
College General Fund	323,044	0	0	0	0	323,044
Chair Endowment Fund	436,738	0	0	0	58,808	495,547
College Library Fund	67,208	0	0	0	9,050	76,257
Book Grants Fund	24,367	0	0	0	3,281	27,648
EW Todd Memorial Fund	7,728	0	0	0	1,041	8,769
Janet Hastings Barlow Fund	31,527	0	0	0	4,245	35,772
Lewis & Gibson Scholarship Fund	272,954	0	0	0	36,754	309,708
Total Capital Funds - Charity	1,163,566	0	0	0	113,179	1,276,745
Designated Funds - Group & Charity						
Sale of Nestle Library Fund	293,323	8,902	0	(8,902)	39,172	332,495
Access Fund	68,883	3,419	(2,571)	(3,000)	0	66,731
Development Fund	4,088,788	0	(174,715)	0	0	3,914,073
Alumni Fund	11,892	1,029	(448)	3,000	0	15,473
Total Designated Funds	4,462,887	13,349	(177,734)	(8,902)	39,172	4,328,772

WESTMINSTER COLLEGE CAMBRIDGE

NOTES TO THE FINANCIAL STATEMENTS CONTINUED for the year ended 31 December 2022 (continued)

2021 Movements (continued)

	Balance 1 Jan 2021 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Gains/(losses) on investment assets £	Balance 31 Dec 2021 £
Restricted Funds - Group & Charity						
Healey Legacy Fund	5,632	0	0	0	0	5,632
Chair Endowment Fund	6,395	15,264	0	(15,264)	0	6,395
College Library Fund	44,384	3,220	(2,558)	0	5,118	50,164
Book Grants Fund	12,621	946	(200)	0	0	13,366
EW Todd Memorial Fund	2,583	288	0	0	229	3,100
Janet Hastings Barlow Fund	12,084	1,196	0	0	1,018	14,298
Peter Barraclough Travel Fund	13,455	357	0	0	1,571	15,383
Mary Tod Memorial Fund	3,232	64	0	0	283	3,579
Principal's Discretionary Fund	81,359	2,309	(160)	0	9,060	92,568
Reid Lecture Fund	219,009	5,598	0	0	24,633	249,240
Lewis & Gibson Scholarship Fund	17,770	8,352	0	(2,925)	0	23,197
Bursary Fund	10,000	0	0	0	0	10,000
Tower Fund	75,000	29,325	0	0	0	104,325
Total Restricted Funds - Group & Charity	503,523	66,919	(2,918)	(18,189)	41,913	591,248
Unrestricted Funds						
General Fund - Charity	1,305,122	1,225,011	(1,152,814)	27,091	33,340	1,437,750
General Fund - Subsidiary	156,615	82,186	(60,991)	0	0	177,809
Total Unrestricted Funds - Group & Charity	1,461,737	1,307,196	(1,213,804)	27,091	33,340	1,615,559
Totals	7,591,713	1,387,464	(1,394,456)	0	227,603	7,812,324

13 DESIGNATED FUNDS

(a) Sale of Nestle 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 to help Alumni maintain links with the College.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022 (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 governed by the General Assembly of the United Reformed Church. The United Reformed Church Trust, a company limited by guarantee (Company number 135934, Registered Charity number 1133373), is also governed by the General Assembly of the United Reformed Church. The principal purposes and activities of the United Reformed Church Trust 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.

During the year the United Reformed Church Trust paid £360k (2021: £365k) to Westminster College as a contribution to the teaching costs of the College and the College's membership of the Federation.

16 THE UNITED REFORMED CHURCH FINAL SALARY SCHEME

The College contributed £80,069 (2021: £97,196) 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 2022, 13 College staff were contributing members (via the principal employer, The United Reformed Church) out of a total of about 131 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 were 7.5% of pensionable salary.

17 CAPITAL COMMITMENTS

As at 31 December 2022, the college has continued its preventative maintenance schedule and the tower works were completed in 2022 within budget and timeframe. The Governors agreed to engage a consultant, through Bidwells, to look at the full capital works required over the foreseeable future. The analysis phase was commenced in 2022 with an understanding that the final report would be available in 2023 to inform further works and future capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022 (continued)

18 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations and legacies							
Donations		2,090	2,590	31,675	-	36,355	94,984
Grants receivable	2	233,961	1,800	-	-	235,761	410,958
		<u>236,051</u>	<u>4,390</u>	<u>31,675</u>	<u>-</u>	<u>272,116</u>	<u>505,942</u>
Charitable activities							
Academic services		269,637	58	-	-	269,695	462,670
Academic accommodation & conferences		229,594	-	-	-	229,594	160,287
		<u>499,231</u>	<u>58</u>	<u>-</u>	<u>-</u>	<u>499,289</u>	<u>622,957</u>
Other trading activities	3	230,430	-	-	-	230,430	274,693
Investment Income	4	7,619	8,902	35,244	-	51,765	51,171
Other income							
Management fees		18,323	-	-	-	18,323	12,870
Net gains on sale of properties		290,039	-	-	-	290,039	-
Other income		25,502	-	-	-	25,502	9,088
		<u>333,864</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>333,864</u>	<u>21,958</u>
<i>Total income and endowments</i>		<u>1,307,196</u>	<u>13,349</u>	<u>66,919</u>	<u>-</u>	<u>1,387,464</u>	<u>1,476,721</u>
Expenditure on:							
Raising funds							
Trading expenditure	3	67,481	-	-	-	67,481	378,603
Charitable activities:							
Academic services	5(a)	667,568	3,019	2,918	-	673,505	746,505
Academic accommodation & conferences	5(b)	478,755	-	-	-	478,755	494,469
College Development		-	174,716	-	-	174,716	177,830
		<u>1,146,323</u>	<u>177,735</u>	<u>2,918</u>	<u>-</u>	<u>1,326,976</u>	<u>1,418,804</u>
<i>Total expended</i>		<u>1,213,804</u>	<u>177,735</u>	<u>2,918</u>	<u>-</u>	<u>1,394,457</u>	<u>1,797,407</u>
(Loss)/Surplus from trading and charitable activities							
Net gains on investments		93,392	(164,385)	64,001	-	(6,993)	(320,686)
		33,340	39,172	41,913	113,179	227,604	100,013
<i>Net (expenditure)/income</i>		<u>126,732</u>	<u>(125,213)</u>	<u>105,914</u>	<u>113,179</u>	<u>220,611</u>	<u>(220,673)</u>
Transfers		27,091	(8,902)	(18,189)	-	-	-
<i>Net movement in funds</i>		<u>153,822</u>	<u>(134,115)</u>	<u>87,725</u>	<u>113,179</u>	<u>220,611</u>	<u>(220,673)</u>
Total funds brought forward at 1 January		1,461,737	4,462,887	503,523	1,163,566	7,591,713	7,812,386
Total funds carried forward at 31 December		<u>1,615,559</u>	<u>4,328,772</u>	<u>591,248</u>	<u>1,276,745</u>	<u>7,812,324</u>	<u>7,591,713</u>