



**THE FOUNDATION OF ST MATTHIAS**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

Registered Charity No 311696

# THE FOUNDATION OF ST MATTHIAS

## REPORT OF THE TRUSTEES

For the year ended 31 December 2023

The Trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

### **Objective and Activities**

#### **Objective**

The subsisting object of the Foundation of St Matthias is the advancement of education in the area of benefit, in particular the Dioceses of Bath and Wells, Bristol and Gloucester but extending to the whole of the United Kingdom, with a preference for higher or further education; such education contributing to the advancement of the Church of England.

#### **Grant-Making Policy**

The Trustees pursue this objective by giving grants towards the education of suitable applicants according to a set of guidelines. Criteria for making grants are contained in Clause 4 (1-6) of the Charity Commissioners' Scheme of 22 August 2011, with amendments on 11 November 2015. The Trustees have a Projects Committee which examines applications against these criteria and makes grants to suitable applicants.

#### **Public Benefit**

The Trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees believe that the objective and the activities undertaken to pursue it, detailed above, fulfil the criteria for demonstrating public benefit.

### **Achievement and Performance (Review of performance in 2023)**

In March 2023 the Trustees agreed to maintain the 2022 budget levels.

During the calendar year 2023 the Trustees considered 88 applications in total (excluding scholarships – see below).

81 of these were for individual grants, which included 31 requests for further funding. 76 grants were awarded, of these, 54 were of £1,000 or more, the remainder ranging from £500 to £900. The majority of studies covered theology, social work and counselling, but assistance was also given for other courses which fell within the terms of the Trust deed and which the Trustees considered to be of deserving support, including education, musical therapy, an exchange programme and the arts. 12 applicants were not awarded grants, 2 withdrew after being awarded a grant and 1 applicant requested that their award be deferred for a year.

7 corporate applications were considered. Of these, 3 applications were awarded grants ranging from £1,750 to £5,000.

Grants of £55,000 to each of the 3 Diocesan Boards of Education for Bath & Wells, Bristol and Gloucester were confirmed: this funding supports the three diocesan staffing teams to provide advisers and strategic leads for Christian character and RE.

Grants totaling £20,000 were also made to the 3 Diocesan Boards of Education: this funding supports the important work of raising the profile of chaplaincies in FE Colleges and is reviewed by the Trustees.

#### **Scholarships for the 2023/2024 academic year:**

During the calendar year 2023 the Trustees considered 15 applications. They shortlisted 4 candidates for interview and awarded one scholarship.

# THE FOUNDATION OF ST MATTHIAS

## REPORT OF THE TRUSTEES

For the year ended 31 December 2023

- Payments totaling £11,000 continued for 2 ongoing part-time scholars;
- Final payments totaling £20,000 were made to the 2 leaving scholars in April 2023;
- The first instalment of £10,000 was made to the newest scholar; and
- Partial payment of £4,000 was made to one scholar pending meeting of conditions for continuing payments.

The total of grants awarded in 2023 is shown in Note 7 on pages 16.

### **Financial Review (Financial Review of the Foundation)**

The Balance Sheet on page 12 shows the financial position of the Foundation as at 31 December 2023, in accordance with the accounting policies outlined in the notes to the accounts.

With effect from 1 January 2018 the Trustees adopted the Total Return Investment approach consistent with the provisions of Section 4 of the Trusts (Capital and Income) Act 2013. Consequently, an Unapplied Total Return Fund of £1m was established with the remaining £6.424m allocated to Funds for Investment tracking CPI each year.

During 2020 the Trustees decided to consolidate the investment portfolios held with CBF Church of England Funds, managed by CCLA Investment Management Ltd (CCLA), and Investec Wealth & Investment Ltd into one portfolio with CCLA. The transfer of funds was completed and all funds held with CCLA at the 2021 year end. The Trust's investment portfolio is held with CCLA Investment Management Ltd (CCLA). The Trustees receive quarterly reports from the investment manager and conduct an annual performance review meeting.

The value of the total investment portfolio increased by £828,773 during 2023, after allowing for withdrawal of £175,500 from the Investment Fund account to fund activities.

The Trustees follow the guidelines on ethical investment adopted by the General Synod of the Church of England and revised by them from time to time.

### **Reserves policy**

It is the Foundation's policy not to maintain any unrestricted reserves, as ongoing working capital is available from the endowment under the Total Return policy adopted. The endowment stood at £8,774,319 at 31 December 2023, including £684,108 in the Unapplied Total Return. This is considered an adequate sum for the continued expenditure planned. During 2022 the Trustees were due to commence a review of the reserves policy in order to set agreed parameters for grant funding within which they can operate, whilst maintaining adequate reserves. The review was delayed due to the amendments in the Trust's operational structure and departure of the financial Trustee coordinating the review. The review is ongoing but no longer deemed pressing due to the reduction in these reserves.

### **Plans for Future Periods**

In July 2023 the Trustees held an Away Day at which they considered how the activities of the Trust might develop to maximise its potential.

In November 2023 the Trustees met and considered the Budget for 2024 and agreed that expenditure should broadly be as follows:

- Diocesan Allocations £50,000 (per diocese);
- FE £5,000 (per diocese); and
- Grants and scholarship budget £101,000.

In response to initial forecasts of income and costs, the Trust reduced the Diocesan Allocations budget by £5,000 and FE grants by £2,000 per Diocese. This will be reviewed annually based on updated budget figures.

# THE FOUNDATION OF ST MATTHIAS

## REPORT OF THE TRUSTEES

For the year ended 31 December 2023

### Structure, Governance and Management

#### **Constitution of the Foundation**

The Foundation of St Matthias is a charity established by a Scheme of the Charity Commissioners for England and Wales dated 8 October 1979, following the closure and sale of the College of St Matthias, Fishponds, Bristol. The net sale proceeds form the permanent endowment of the Charity, which is registered with the Charity Commissioners under number 311696. The founding scheme was changed to acknowledge that there is no longer any interest in property and to ease the governance of the Foundation. The new scheme was approved by the Charity Commission on 22 August 2011 and adopted by the Trustees in November 2011. Subsequent amendments to the scheme have been approved by the Charity Commission.

#### **Trustees' responsibilities**

The Trustees, who are appointed in accordance with the Trust scheme (as listed above), meet twice a year. The Trustees have two committees: a Projects Committee and the Finance, Audit and Risk Management (FARM) Committee. Some powers are delegated to committees as follows:

- The Projects Committee awards grants and scholarships to applicants, subject to budgetary constraints agreed by the Trustees.
- The FARM Committee recommendations are ratified by the Trustees.

During the year the Trustees commenced a review of the delegated authority to ensure that they were fit for purpose. The Delegations of Financial Authority were agreed at the Trustees meeting in November 2023.

In addition to the board's twice-yearly meetings, the Projects Committee meets in March, July and October, whilst the FARM Committee meets in March, July and November.

The Charity Commissioners' Scheme and Trust law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the Trust's affairs and of the incoming and outgoing resources of the Trust for that period. In preparing those 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Trust will continue to exist.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust, and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charity Governance Code: In March 2020, the Trustees agreed to review one principle at each future meeting. Owing to the creation of the new Chief Operating Officer (COO) role within the Trust, the ongoing review of the Charity Governance Code is being conducted by the COO and is expected to be completed and presented to the Trustees for comment and approval in 2024.

# THE FOUNDATION OF ST MATTHIAS

## REPORT OF THE TRUSTEES

For the year ended 31 December 2023

### Recruitment and induction of Trustees

Recruitment for the Trust is carried out quadrennially with members appointed as nominative Trustees by the Boards of Education for the Dioceses of Bath & Wells, Bristol and Gloucester, and the National Society (previously the Board of Education of the Archbishops' Council). Members are also appointed by the Bishop for each of the three Dioceses and, until its demise in 2013, by the St Matthias Society. In addition the Trustees have the option to co-opt three Trustees.

New Trustees are given a copy of the Trustee Induction Pack and associated papers, which include copies of the governing document (scheme), recent Trustee, FARM Committee and Projects Committee minutes including the dates of the next meetings, the Trustees' Report and Accounts for the previous year, information on the history of the Trust, objects of the Trust, structure of the Trust including staff, information about the Trustees' role, job descriptions and person specifications of Trustees and honorary officers, contact details, administrative forms and a copy of the Charity Commission publication *The Essential Trustee: 'What you need to know'*.

Upon appointment, new Trustees are also assigned a mentor from amongst the existing Trustees, to guide them through the initial stages of their trusteeship.

### Connected Charity

Before October 2022, the Trust had no employees. From March 2015 to October 2022, the Bristol Diocesan Board of Finance (BDBF), registered charity number 248502, whose registered office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU was appointed to provide the services of Clerk to the Trustees.

In October 2022 the current Clerk to the Trustees was promoted to the newly created position within the Trust of Chief Operations Officer (COO). The role of Clerk was formally assumed under the full employ of the Trust and a new clerk was recruited and commenced employment in November 2022.

The Foundation's affairs are administered by the COO and Clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). The BDBF previously provided accountancy services to the Foundation for a fee of £3,900 excluding VAT in 2022. The Foundation's financial affairs are now managed by a part time Finance Manager appointed in May 2023.

The majority of the Trustees are nominated or co-opted from the three benefiting Dioceses.

### Risk Assessment

The Trustees operate a risk management policy and, as part of an annual review process, make appropriate amendments to the risk register. Trustees consider internal and external risks and ensure that those over which they have control, such as having policies to secure the Foundation's assets, are closely followed. The most significant risk is the decline in Total Return. The Trustees have ensured that reputable managers have been appointed to manage the investments that make up the permanent endowment and monitor their performance regularly by receiving and reviewing quarterly performance reports.

### Reference and Administration Details

The Foundation of St Matthias is registered with the Charity Commission, charity number 311696. Its principal office is at Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU.

### Key management personnel remuneration

In October 2022 the Foundation became an employer. It currently employs 3 personnel, equating to 1.7 Full Time Equivalents (2 personnel, 1.2 FTE – 2022): the Chief Operating Officer (COO) and Clerk to the Trustees and Finance Manager. The key management personnel earn annual salary of £52,296 and employers pension of £5,296.

# THE FOUNDATION OF ST MATTHIAS

## REPORT OF THE TRUSTEES

For the year ended 31 December 2023

The Trustees are the key management personnel of the Charity, in charge of directing and controlling the Charity. The COO, Clerk and Finance Manager have responsibility for the day-to-day running of the Charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 2 to the accounts.

### Trustees

The Trustees who served during the period from 1 January 2023 to the date this report was approved were as follows:

	<i>Name</i>	<i>Nominator</i>	<i>Dates if part year:</i>
<i>Chair:</i>	The Rt Revd R Springett Bishop of Tewkesbury	Bishop of Gloucester	
<i>Nominated:</i>	Mr E Gregory	Bath & Wells DBE	
	Mr G Briscoe	Bath & Wells DBE	To 22 November 2023
	Mrs P Dodds	Bath & Wells DBE	To 12 July 2023
	Dr P Smith	Bristol DBE	
	Revd A Everitt	Bristol DBE	
	Mrs E Townend	Bristol DBE	
	Mrs J Borgeaud	Gloucester DBE	From 22 November 2023
	Mrs B Gleich	Gloucester DBE	
	Ms L Gardner	Gloucester DBF	
	Revd J Shellard-James	Bishop of Bath & Wells	
	Revd Dr S Taylor	Bishop of Bristol	
	Ms Jo Hunter	Interim Director of Education and SIAMs Lead	To 6 September 2023
	Mrs M Lomas	National Society (previously Board of Education of the Archbishops' Council)	
<i>Co-opted:</i>	Ms K Owen-Jones	-	

### Officers and advisers of the Foundation

Chief Operations Officer	Caroline McConnell Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Clerk to the Trustees	Sarah Haughan Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Finance Manager	Elizabeth Britton Diocesan Office, Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol, BS34 8YU
Auditors	TC Group St Matthew's House, Quays Office Park, Conference Avenue, Portishead, Bristol, BS207LZ
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF

**THE FOUNDATION OF ST MATTHIAS**

**REPORT OF THE TRUSTEES**

**For the year ended 31 December 2023**

This report was approved by the Trustees on 17<sup>th</sup> April 2024 and signed on its behalf by

A handwritten signature in black ink, appearing to read "Robert".

The Rt Revd R Springett, Bishop of Tewkesbury, Chair

# THE FOUNDATION OF ST MATTHIAS INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

## Opinion

We have audited the financial statements of The Foundation of St Matthias (the "Charity") for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet 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 Financial Reporting Standard 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 at 31 December 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis of opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

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

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

# THE FOUNDATION OF ST MATTHIAS INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

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

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

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities to the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 the Act and relevant regulations made or having effect thereunder.

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 within it. 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent of which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety;

## **THE FOUNDATION OF ST MATTHIAS INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES**

General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.

- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (the Charities Act 2011), taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.
- We considered the nature of the Charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the Charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charity trustees as a body, in accordance with 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*TC Group*

TC Group  
Statutory Auditor  
St Matthew's House  
Quays Office Park  
Conference Avenue  
Portishead  
Bristol, BS207LZ

Date: 17 April 2024

**THE FOUNDATION OF ST MATTHIAS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
For the year ended 31 December 2023

		2023	2023	2023	2022	2022	2022
	Note	Income Reserve Unrest'd £	Perm't Endow't Rest'd £	Total Funds £	Income Reserve Unrest'd £	Perm't Endow't Rest'd £	Total Funds £
<b>Income and Endowments</b>							
Investment Income	3	-	241,554	241,554	-	242,249	242,249
<b>Total Income</b>		-	241,554	241,554	-	242,249	242,249
<b>Expenditure</b>							
<b>Expenditure on Charitable Activities</b>							
	6	391,538	-	391,538	358,774	-	358,774
<b>Total Expenditure</b>		391,538	-	391,538	358,774	-	358,774
<b>Net (Loss)/Gains on Investments</b>	15	-	828,773	828,773	-	(1,136,100)	(1,136,100)
<b>Net Income / (Expenditure)</b>		(391,538)	1,070,327	678,789	(358,774)	(893,851)	(1,252,625)
<b>Transfers between funds</b>	15	391,538	(391,538)	-	358,774	(358,774)	-
<b>Net movement in funds</b>		-	678,789	678,789	-	(1,252,625)	(1,252,625)
Total funds brought forward at 1 January	15	-	8,095,530	8,095,530	-	9,348,155	9,348,155
<b>Total funds carried forward at 31 December</b>		-	8,774,319	8,774,319	-	8,095,530	8,095,530

All activities relate to continuing operations.

**THE FOUNDATION OF ST MATTHIAS**

**BALANCE SHEET**

For the year ended 31 December 2023

	Note	£	2023 £	£	2022 £
<b>Fixed Assets Investments</b>					
CBF Funds	9		8,844,344		8,191,071
<b>Current Assets</b>					
Debtors					
– amounts falling due within one year	10	0			13
Cash at bank	11	44,534			34,648
			<u>44,534</u>		<u>34,661</u>
<b>Current Liabilities</b>					
Grants awarded not paid	12	103,790			105,300
Creditors					
– amounts falling due within one year	13	10,769			24,902
			<u>114,559</u>		<u>130,202</u>
<b>Net Current Liabilities</b>			<u>(70,025)</u>		<u>(95,541)</u>
<b>Total Net Assets</b>			<u>8,774,319</u>		<u>8,095,530</u>
<b>Funds of the Charity</b>					
Permanent endowment funds	15		8,090,211		7,779,797
Unapplied total return fund	15		684,108		315,733
Unrestricted fund – income reserve	15		0		0
			<u>8,774,319</u>		<u>8,095,530</u>

These accounts were approved and authorised for issue by the Trustees on 17<sup>th</sup> April 2024

+ Robert

The Rt Revd R Springett Bishop of Tewkesbury, Chair

The notes at page 13 to 19 form part of these accounts.

# THE FOUNDATION OF ST MATTHIAS

## Notes to the accounts

For the year ended 31 December 2023

### 1 Accounting policies

#### (a) General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16 constitute the individual financial statements of The Foundation of St Matthias for the financial year ended 31 December 2023. The financial statements have been presented in Pounds Sterling as this is the functional currency of the Charity and all values are to the nearest pound.

The Foundation of St Matthias is a charity, registered in England & Wales with a registered number of 311696. The Registered Office is Hillside House, 1500 Parkway North, Newbrick Road, Stoke Gifford, Bristol BS34 8YU, which is also the principal office of the Charity. The principal activity of the Charity continued to be the advancement of education contributing to the advancement of the Church of England.

#### (b) Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### (c) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with the Statement of Recommended Practice: 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 in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The 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: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The Trustees operate a total return policy in order to achieve greater flexibility to manage the available resources, in both the short- and longer-term.

#### (d) Fund accounting

The nature and purpose of each fund are explained in note 16.

#### (e) Irrecoverable VAT

The Foundation is not registered for VAT. All irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### (f) Investment income

Investment income is credited to the Unapplied Total Return in the year in which the payment is due.

Investments with CCLA pay dividends on investments held at the end of each quarterly qualifying period, with payment made thereafter.

## THE FOUNDATION OF ST MATTHIAS

### Notes to the accounts

#### For the year ended 31 December 2023 (cont)

- (g) **Expenditure**  
All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (j) below.
- (h) **Investment Management costs**  
Investments managed by CCLA are not subject to a specific management cost, this being reflected in the market value of the investments.
- (i) **Grants**  
All expenditure is charged to the income reserve in the year in which the grant has been communicated to the recipient. Although the scholarship awards are generally for the whole of a 3-year course of study, funding for each year of the scholarship is conditional on an annual presentation to the Trustees, for their review and approval of the continuation of the award. Therefore, scholarships are not accrued for beyond the end of the academic year.
- (j) **Support Costs**  
As noted in the Trustees' Report, the Foundation's affairs were administered by the St Matthias Clerk/Administrator, an employee of the Bristol Diocesan Board of Finance. It is estimated that 75% of the fee represents the day-to-day administration and the remaining 25% represents costs relating to the governance of the Foundation, being costs in respect of the strategic and constitutional matters of the Charity. Also charged to governance are audit, trustees' meeting and travel costs and the costs of any professional advice received regarding the constitutional matters of the Charity. In October 2022 the former Clerk/Administrator was promoted to the role of COO under the Foundation and in November 2022 a new Clerk/Administrator was employed, also under the Foundation. In May 2023 a Finance Manager was appointed as an employee of the Foundation.
- (k) **Fixed Asset Investments**  
Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.  
  
The Foundation does not acquire put options, derivatives or other complex financial instruments.  
  
The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.
- (l) **Gains and Losses on investments**  
Gains or losses on investments are taken directly to the Unapplied Total Return. Such gains or losses represent the difference between the opening market value and the market value at the date of disposal or 31 December 2023.
- (m) **Financial Instruments**  
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All of the Charity's basic financial instruments are measured initially at cost and then subsequently measured at amortised cost with the exception of the fixed asset investments which are measured at fair value through the profit and loss.
- (n) **Areas of judgement**  
The preparation of the financial statements requires management to make some judgements and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. The key area of judgement is whether scholarship grants should be accrued for at year end.

# THE FOUNDATION OF ST MATTHIAS

## Notes to the accounts

For the year ended 31 December 2023 (cont)

**(o) Accounting Policies: Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**(p) Accounting Policies: Retirement benefits**

As set out in Note 4, pension benefits to staff employed by the Foundation are provided through the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. This scheme is a defined benefit scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The last actuarial valuation of the scheme was completed on the 31<sup>st</sup> December 2022 and all sections of the scheme are in surplus.

Payments to the schemes are charged as an expense as they fall due.

## 2 Trustees' remuneration and expenses

The Trustees receive no remuneration from the Foundation. Travelling and other out of pocket expenses are reimbursed as necessary, and these amounted to £848 paid to 7 Trustees in 2023 (2022 - £22 paid to 1 Trustee).

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>3 Investment income</b>		
CBF Funds Dividends	241,140	242,171
Bank Interest	<u>414</u>	<u>78</u>
	<u>241,554</u>	<u>241,516</u>
<b>4 Staff Costs</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	52,296	8,587
Social security costs	1,845	680
Other pension costs	5,296	-
	<u>59,437</u>	<u>9,267</u>
	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Number of Employees	<u>3</u>	<u>2</u>

## Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund amounted to £5,296 (2022: £Nil).

## Pension scheme membership

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>

# THE FOUNDATION OF ST MATTHIAS

## Notes to the accounts

### For the year ended 31 December 2023 (cont)

The average number of staff within the pension scheme was: 3 2

#### 5 Related Party Transactions

The Dioceses of Bath & Wells, Bristol and Gloucester are related parties to the Charity. Grants awarded to the Dioceses are shown in Note 7. Up until April 2023 the Diocese of Bristol (the Bristol Diocesan Board of Finance Limited) provided Accountancy and office services to the Foundation. It was paid £Nil (2022 - £4,959) for Accountancy services and £3,888 for Clerkship and Office services (2022 - £30,242). The amounts outstanding at the year-end were £Nil (2022 - £2,580) for Accountancy services and £2,334 (2022 - £10,285) for Office services.

	2023 £	2022 £
<b>6 Expenditure on Charitable Activities</b>		
Educational Activities (note 7)	307,025	298,860
Support Costs (note 8)	84,513	59,914
	<u>391,538</u>	<u>358,774</u>

	2023 £	2022 £
<b>7 Grants</b>		
In 2023 the Trustees made the following grants:		
<i>Grants to Institutions</i>		
To Bath & Wells, Bristol and Gloucester Dioceses: £55,000 each	165,000	165,000
To Bath & Wells and Gloucester Dioceses, £7,000 each and Bristol Diocese £6,000 for Further Education Officers	20,000	20,000
	-	-
3 corporate grants (2022 – 2) of £1,000 or more	7,250	3,500
	<u>192,250</u>	<u>188,500</u>
<i>Grants to Individuals</i>		
22 personal grants (2022 – 13) of less than £1,000	14,675	7,400
54 personal grants (2022 – 47) of £1,000 or more	74,315	71,960
2 grants were not taken up due to changes in personal circumstances. 1 requested to be deferred for a year.		
6 scholarship grants (2022 – 5) of £1,000 or more	25,667	31,000
Scholarship Travel	118	0
	<u>114,775</u>	<u>110,360</u>
	<u>307,025</u>	<u>298,860</u>

All grants awarded relate to the advancement of education.

The Charity has made grants where the following trustees have or had an interest during the current year:

Mr E Gregory	Diocese of Bath & Wells	Diocesan Director of Education
Mrs P Dodds	Diocese of Bath & Wells	Diocesan Schools Advisor
Mrs E Townend	Diocese of Bristol	Diocesan Director of Education
The Rt Revd R Springett Bishop of Tewkesbury	Diocese of Gloucester	Bishop of Tewkesbury
Ms L Gardner	Diocese of Gloucester	Head of Finance
Mrs J Hunter	Diocese of Gloucester	Deputy Director of Education

# THE FOUNDATION OF ST MATTHIAS

## Notes to the accounts

For the year ended 31 December 2023 (cont)

	2023	2022
	£	£
<b>8 Support costs</b>		
Management charge – administering the Foundation	315	22,682
Management charge – governance	105	7,561
Wages and salaries	59,437	9,217
Staff expenses	1,629	469
IT services	3,468	2,422
Trustees' travel and catering	1,791	22
Audit	6,930	6,600
Bank charges	8	5
Professional fees & Insurance	10,456	10,936
Sundry expenses	374	0
	<u>84,513</u>	<u>59,914</u>

Governance costs included in the above amounted to £82,713, this includes £75,783 for administration, £6,930 for audit and £Nil for accountancy services. In the prior year, governance costs amounted to £59,888, this included £48,329 for administration, £6,600 for audit and £4,959 for accountancy services.

	2023	2022
	£	£
<b>9 Fixed Asset Investments</b>		
<b>Movement in CBF Investments</b>		
Market value brought forward at 1 January 2022	8,191,071	9,367,755
Add additions at cost	0	0
Less disposals at carrying value	(175,500)	(40,584)
Add net (loss)/gain on revaluation	<u>828,773</u>	<u>(1,136,100)</u>
Market value carried forward at 31 December 2022	8,844,344	8,191,071
	<u>8,844,344</u>	<u>8,191,071</u>
<b>Investments – CBF Funds comprise</b>	<b>£</b>	<b>£</b>
CBF Investment Fund	7,542,053	6,893,489
CBF Global Equity Fund	<u>1,302,291</u>	<u>1,297,582</u>
	8,844,344	8,191,071

	2023	2022
	£	£
<b>10 Debtors</b>		
Investment income awaiting payment	-	-
Grant refund due	-	13
	<u>-</u>	<u>-</u>

	2023	2022
	£	£
<b>11 Cash at Bank</b>		
NatWest Bank	44,534	34,648
	<u>44,534</u>	<u>34,648</u>

	2023	2022
	£	£
<b>12 Grants awarded not yet paid</b>		
Corporate and Personal grants	2,790	3,800
Diocesan Allowances	82,500	82,500
Scholars	18,500	19,000
	<u>103,790</u>	<u>105,300</u>

# THE FOUNDATION OF ST MATTHIAS

## Notes to the accounts

For the year ended 31 December 2023 (cont)

	2023	2022
	£	£
<b>13 Creditors</b>		
Audit Fees	6,930	6,600
Accountancy services	-	2,520
Management fees	2,334	10,285
IT services	291	2,422
Wages and salaries	1,214	3,075
	<u>10,769</u>	<u>24,902</u>

	2023	2022
	£	£
<b>14 Commitments</b>		
The scholarship awards, subject to satisfactory review, will be paid as follows:		
<i>Within one year:</i>		
one term of academic year 2023/24	<u>11,500</u>	<u>16,000</u>
<i>Beyond one year:</i>		
two terms of academic year 2024/25	19,500	21,000
academic year 2025/26	32,500	11,000
academic year 2026/27	11,000	11,000
academic year 2027/28	-	5,000
	<u>63,000</u>	<u>48,000</u>

### 15 The Funds of the Charity

With effect from 1 January 2018 the Trustees adopted a total return approach to investment. On transition to this approach an Unapplied Total Return Fund of £1,000,000 (one million pounds) was created.

The Unapplied Total Return Fund comprises that part of the total return on the Charity's permanent endowment investments which has not yet been allocated by the Trustees to either the General Fund or the Permanent Endowment Fund. At the end of each financial year a transfer is made to the Fund for Investment equating to the growth of the funds in line with CPI. A further transfer is made to the Unrestricted Income Reserve to cover the operational costs of the Foundation for the year. The Trustees can decide whether the remaining balance on the fund can be carried forward if not needed or allocated to be spent as income or reinvested in the Permanent Endowment Fund in a particular year.

For the year ended 31 December 2023 £391,538 was transferred from the Unapplied Total Return Fund to the Unrestricted Income Reserve. The value of the remainder of the Permanent Endowment was preserved by a transfer of £310,414 from the Unapplied Total Return to the Fund for Investment.

	Fund for Investment	Unapplied Total Return	Total Endowment
	£	£	£
As at 1 January 2023	7,779,797	315,733	8,095,530
Investment return: dividends and interest	-	241,554	241,554
Investment management costs	-	-	-
Investment return:			
Gains on investment	-	828,773	828,773
Recoupment of trust for investment	310,414	(310,414)	-
Unapplied total return allocated to income in the reporting period	-	(391,538)	(391,538)
<b>As at 31 December 2023</b>	<u>8,090,211</u>	<u>684,108</u>	<u>8,774,319</u>

# THE FOUNDATION OF ST MATTHIAS

## Notes to the accounts

For the year ended 31 December 2023 (cont)

Comparative Figures	Fund for Investment £	Unapplied Total Return £	Total Endowment £
As at 1 January 2022	7,038,629	2,309,526	9,348,155
Investment return: dividends and interest	-	242,249	242,249
Investment management costs	-	-	-
Investment return:			
Losses on investment	-	(1,136,100)	(1,136,100)
Recoupment of trust for investment	741,168	(741,168)	-
Unapplied total return allocated to income in the reporting period	-	(358,774)	(358,774)
<b>As at 31 December 2022</b>	<b>7,779,797</b>	<b>315,733</b>	<b>8,095,530</b>
		<b>2023</b>	<b>2022</b>
		£	£
<b>Represented by</b>			
CBF Funds		8,844,344	8,191,071
Other net current assets		(70,025)	(95,541)
		8,774,319	8,095,530

### 16 The Funds of the Charity

Of the balance on the permanent endowment reserve at 31 December 2023, £3,674,228 (2022 - £3,020,954) represented the difference between the market value at that date and the cost of the investments presently held.

The fund of the Charity arose mainly from the sale of the College of St Matthias, following its closure, plus the proceeds of subsequent sales of assets. The original cost or valuation at the date of the Charity Commission Scheme (October 1979) was £1,648,417, and the value of the Fund for Investment at 31 December 2023 reflects the gain in the value of the investments since then using CPI as a point of reference.

The Unrestricted Income Reserve represents the operational cost of the Foundation, the total of which is covered by a transfer from the Unapplied Total Return Fund at the year end.

## Document Activity Report

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