

London School of Theology



# Report and Financial Accounts

2023

Company Registered No: 381332

Registered Charity No: 312778

Year ended 31 August 2023



## Introduction from the Principal

# Welcome



**I am delighted to introduce the Report and Financial Accounts of the London School of Theology for 2022–2023. It has been a busy but highly enjoyable year in the life of the School.**

We are extremely thankful for our partnership with Emmanuel Church, our local Anglican church in Northwood. Members of the congregation have been good friends to us over the years and we continue to enjoy a good relationship with them. As usual, our July graduation service was held at Emmanuel Church; and it was a truly joyful occasion as we celebrated the success of our graduates with their families and friends. Many of these students started with us in 2020 and so felt the full force of the pandemic on their studies. It was wonderful to see many of them delighted in their achievement. The occasion was made even more special by having our Professor of Historical Theology, Tony Lane, as the preacher. Tony has worked with the School over 50 years, which is a remarkable achievement!

There were three main academic events during the year. Our research conference held in March focused on the theme of Wellbeing and the Digital Church, which has become significant areas for investigation since the pandemic. Our keynote speakers were the Revd

Canon Professor Leslie J. Francis, a well-known social-psychologist and theologian, and me. I discussed the problems and possibilities associated with digital media and ecclesiology (theology of church). Our summer conference in June celebrated Tony Lane's achievement by focusing on one of his research areas, namely ecumenical dialogue between Evangelicals and Roman Catholics. The conference was entitled: *Evangelicals and Catholics: Common Causes and Enduring Differences*. Finally, our annual endowed Laing Lecture was held in November. The Laing Lecture provides us with an opportunity to showcase Evangelical scholarship for a public audience. We were delighted to welcome a Canadian scholar, Dr Janet Warren, both a theologian and a medical doctor. Janet addressed the theme of *Mental Health and the Imago Dei (image of God)*, which proved to be a stimulating and encouraging occasion, which a number of people from the community joining us for the event.

## UPDATE ON OUR STRATEGIC PLAN AND ITS IMPLEMENTATION:

Our strategic plan for 2022-2026 continues to drive our annual objectives. A number of areas progressed well this year.

- We have strengthened our appreciation of our vision and values and this has been evident in the quality of our Christian community, with both new on-site students and online students showing a renewed commitment to the worshipping life of the School.
- We have improved our student learning experience by investing in our learning and teaching support, including improving our skills development of students and a new pre-sessional *Foundations Course* for those coming back to education, or who feel they need extra help before they start the academic year.
- We have launched our new *MA Practical Theology and Ministry*, which is exciting. We have recruited our first students on the programme and appointed our programme leader, Dr Alistair McKitterick.
- We revalidated our *MA Biblical Studies* (using a new name) and appointed Dr Julie Robb to lead this programme as well as the *MA Theological Studies*.
- We revalidated our research degrees (*Master of Theology*; *Master of Philosophy* and *Doctor of Philosophy*).
- We have joined the *University and Colleges Admissions Service (UCAS)* just in time to participate in the summer clearing process. We are now receiving applications for 2024, which is also an exciting development.
- We have begun to strengthen our church networks, and this includes hosting the Harrow Deanery on campus as well as developing stronger links to the Northwood community. We are also looking to establish one or two new international partnerships in the coming year.
- The estate has been enhanced by the addition of solar panels this year, for which we are immensely grateful and improves our environmental impact.

The Higher Education sector continues to experience financial turbulence. Therefore, it is no surprise the Office for Students identifies financial sustainability in the sector as one of its goals as it begins to draft a new strategic plan in 2024. Recruitment continues to be a challenge for us. While we recruited more students across the range of programmes, the balance of full-time and part-time student numbers means that our Full Time Equivalent (FTE) number was, in fact, lower than last year. In order to cut some costs, we decided to reduce our Music, Theology and Worship programmes from three to one, which means that we are focusing on the *BA Theology and Worship Studies* as our only programme in this area from the autumn of 2024. Nevertheless, with a good suite of MA programmes now in place, we are in a better position to attract a greater range of students. We have also invested in the preparation of new *BA in Theology and Liberal Arts*, and we shall be working towards its validation during 2024. As well as recruiting UK-based students, we intend to attract North American students, either as full-time students or as semester abroad visiting students.

Once again, I am incredibly grateful for all my colleagues, trustees and students who make London School of Theology such a special place to work. I am thankful to my executive team colleagues, for their wisdom, humour and grace. I am also grateful to our donors and alumni, who support us with both finance and prayer. It is appreciated very much indeed.

As I write this Introduction, I am finishing my tasks before taking a Christmas break. Once again, I am reminded of the importance of our faith in Jesus Christ and the centrality of him for all that we do as Christians. The angel said to Mary that 'he will be great and will be called the Son of the Most High' (Luke 1.32). I commend this report to our readers in recognition that the LST community seeks to honour the one who is the 'Son of the Most High' in all that we do.



The Revd Professor  
Mark J. Cartledge  
Principal



# 2022-23

## At A Glance

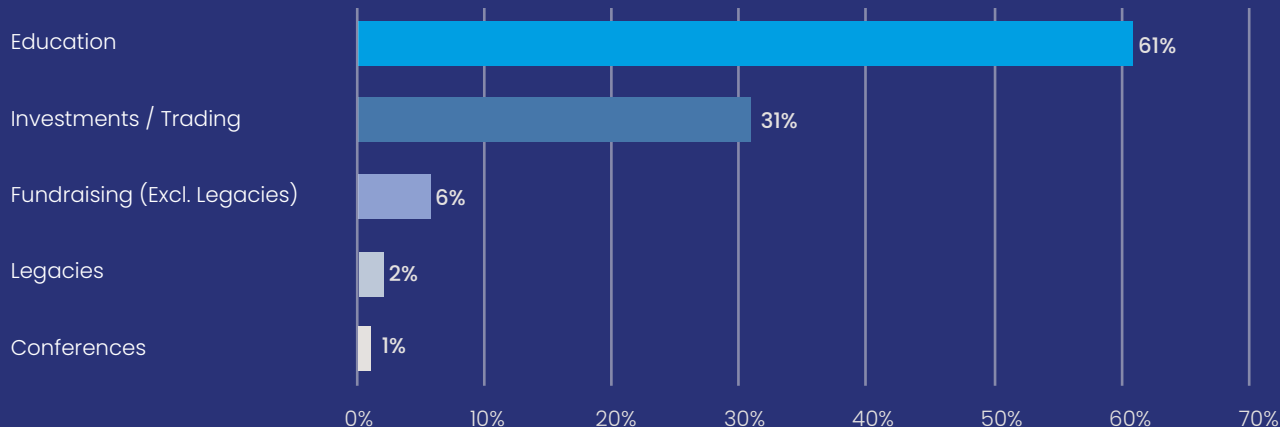
### Income & Expenditure 2022-23 Year ended 31 August

	2023 £'000	2022 £'000
Income	3,049	3,210
Expenditure	(3,760)	(3,700)
Net (loss)	(711)	(490)
Investment gains / (losses)	(744)	(1,428)
Pension scheme gains / (losses)	213	343
Net movement in funds	<b>(1,242)</b>	<b>(1,575)</b>

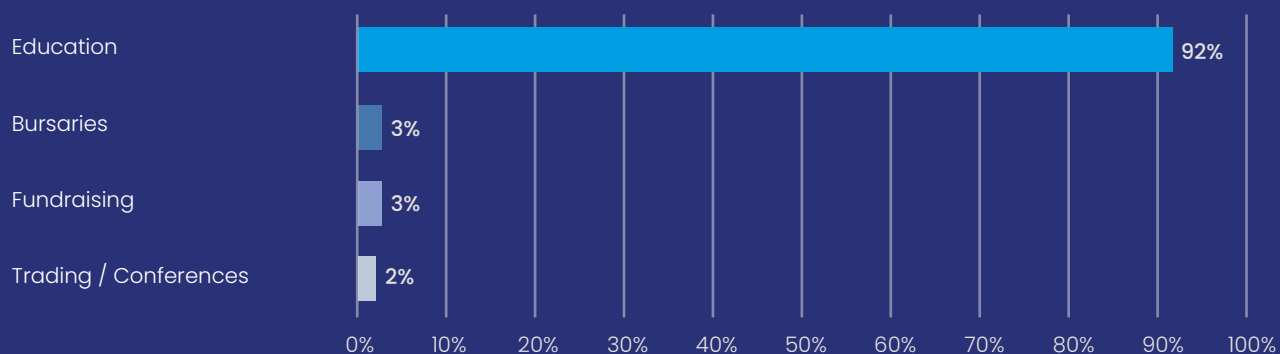
### Balance Sheet 2022-23 Balance at 31 August

	2023 £'000	2022 £'000
Tangible assets	1,615	1,724
Investments	7,378	8,671
Net current assets	660	660
	9,653	11,055
Creditors greater than one year	(53)	0
Pension scheme asset	983	770
Net assets	<b>10,583</b>	<b>11,825</b>

### Our Income 2022-23



### Our Expenditure 2022-23



# What We Achieved

## London School of Theology graduated 69 undergraduate level qualifications

London School of Theology graduated 69 undergraduate students (Certificate, Diploma and BA Degree programmes) in Theology, Theology & Counselling, Theology & Worship, and Theology, Music & Worship.

London School of Theology's undergraduate programmes bring the opportunity to study the Bible in greater depth, with world-class scholars. We have three Levels, across four programmes designed to train those looking to learn more about their faith.

## London School of Theology graduated 21 postgraduate qualifications

London School of Theology graduated 21 postgraduate students across the MA in Aspects & Implications of Biblical Interpretation, MA in Integrative Theology and MA in Theological Education programmes.

Postgraduate study at London School of Theology equips students with skills of understanding, discovery, depth and determination. When they graduate, students are equipped to teach others and make a positive difference in their lives. Their qualification opens up significant employment opportunities in academia, Christian leadership and the marketplace.

Each year the postgraduate students take up leadership roles all over the world. The majority of our graduates can be found teaching in churches, seminaries and university faculties around the world. As part of a larger network of over 350 students from all over the world, London School of Theology's postgraduate centre is a unique and exciting place to study.

## London School of Theology graduated 11 research qualifications

London School of Theology graduated 11 postgraduate research students across the Master of Theology, Master of Philosophy and Doctor of Philosophy programmes.

The purpose of a research degree is to establish and demonstrate competence in a theological discipline via a thesis project. The discoveries made by research students contribute not only to their personal growth but also to the academy and the community they serve.

Those taking a research programme at London School of Theology are expected to demonstrate critical knowledge of their chosen field. Research degrees are not taught courses, although students may be asked to take a course of guided reading or attend relevant classes.

# Plans for 2023–2024

The priority for the new academic year was as always to welcome our new and returning students, whether on campus, online or blended and ensure they have everything they need to thrive both in their academic and Christian life.

Much of our focus will be around strengthening our student support processes to ensure we identify at the earliest opportunity any students who are struggling or falling behind with their studies and determine how they can best be supported. For the first time in September, prior to the start of the new academic year, we offered a short foundations course for anyone returning to studies after a significant gap who needed a confidence boost around what they can expect and the resources that are available to them.

As we move into the second year of our five year strategy focused on Forming Disciples, Resourcing Churches and Impacting Society we also have a clear set of tasks we will be focusing on.

## THE IMMEDIATE PRIORITIES SET FOR THE YEAR AHEAD HAVE BEEN AGREED AS FOLLOWS:

- Continue to implement the strategic plan with a focus on rightsizing and resourcing.
- Achieve financial targets set for 2023–2024.
- Meet agreed student recruitment targets.
- Improve all student-related metrics according to individual targets (satisfaction, completion/attrition, graduate outcomes etc.).



## Student Life

### We are committed to offering the highest standard of education

We are at the forefront of theological education designed to equip Christians for life in the real world. More than ever, there is a need to train Christians to have a deeper understanding of Scripture and its relevance to the world. To help support this, we have a range of bursaries and scholarships available to help students with their fees and essentials such as food and travel. These funds have been established and supported by generous donors who have a heart to help students in need of financial assistance. To celebrate our 80th year, we have recently launched a new fundraising campaign 80 for 80 – £80,000 for 80 years, to help top up these fast depleting bursary funds – maybe you could help?

### We are a resource for churches

London School of Theology continues to seek to resource churches in multiple ways: through public lectures and partnership in mission, including offering students for placements. Our faculty and staff teach and preach in churches across the country and around the world. We also make our wide range of seminar rooms, excellent catering and accommodation available at competitive rates to churches, charities and Christian organisations.

### We have an Alumni Association across the world

London School of Theology is one of the largest, most diverse theological colleges in Europe, with over 7,500 alumni across 40 countries. As our alumni continue to make meaningful contributions to the Church worldwide, the Alumni Association helps to maintain valuable connections to the School, faculty and classmates, as well as provide them with appropriate resources. We are confident that our Alumni website <https://alumni.lst.ac.uk> will be instrumental in facilitating this still further.





## Student Life

# What Our Students Say

### Rachel Walters



I am very thankful to have been a student at LST. Coming into first year I was excited to learn and grow in my knowledge of the LORD, and not only to know more of His deep and hidden truths, but to live them out.

The last few years at LST have grown my love for the Church, and made me eager to see it also grow in the grace and knowledge of Christ. I have made some dear friends which I am so thankful for, and I will leave LST with a rich deposit from the lecturing, friendships and understanding of the Bible that I have been entrusted with.



### Peter Bloxham

There is a lot to be thankful for at LST. What a privilege it is to be able to be at a place with other people studying God's word and how it has shaped our history and culture. I felt welcomed from the first moment that I stepped onto the campus at an Open Day to the final moments at Graduation.

Although there were tough times, the support of the friends that I made at LST and the support that I received from the lecturers helped to get me through them.

I have taken all that I have learnt at LST and am now applying it in my work as a Children and Family Pastor at a local Church.





Year ended 31 August 2023

# Report and Financial Statements



<b>Company Name</b>	London School of Theology
<b>Company Number</b>	381332
<b>Registered Charity Number</b>	312778
<b>Address of School and Registered Office</b>	London School of Theology Green Lane, Northwood, HA6 2UW
<b>Bankers</b>	National Westminster Bank Plc 159 High Street, Rickmansworth, Herts, WD3 1AR
<b>Auditors</b>	Haysmacintyre LLP 10 Queen Street Place, London, EC4R 1AG
<b>Solicitors</b>	Pothecary Witham Weld 70 St George's Square, London, SW1V 3RD

Year ended 31 August 2023

# Governors' Report

## Introduction

The Governors, who are the trustees and directors of the London School of Theology, have pleasure in presenting their report and the financial statements for the year ended 31 August 2023.

## Statement of Governors' responsibilities in preparing the accounts

Company law requires the Governors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit for that period. In preparing those financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently;
- 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;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business;
- Follow the methods and principles of the Charities SORP.

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

## Preparation of accounts

The accounts have been prepared in accordance with the Statement of Recommended Practice for Accounting and Reporting by Charities and the Companies Act 2006. The accounting policies are listed in Note 2 to the accounts.

# Governance and management of the charity

## Trustees

The following served as Governors of the charitable company for the whole of the period, and up to the approval of the accounts, unless otherwise stated:

Name	Honorary Position	Note
Mr Steve Hughes*	Chair of the Board	Trustee until 01/24, chair until 10/23, chair of F&GP until 02/23
Mr Malcolm Peckham*+	Chair of the Board	Trustee and Chair from 10/23
Mrs Margaret Doyle	Vice-Chair of the Board	
Prof Peter Oakes+	Chair of the AAC	
Revd Johnny Douglas		
Mr Paul Smith*	Chair of the F&GP	Chair of F&GP from 02/23
Rt Revd Graham Cray		Until 10/23
Mrs Kate Meathrel		Until 10/23
Revd Dr Jenni Williams+		
Ms Lydia Lee		
Revd Alton Bell*		

## Attendees and Representatives

The following attended meetings of the Board of Governors:

Name	Position	Note
Revd Prof Mark Cartledge*+	Principal	
Rev Dr David Hilborn*+	Academic Dean	
Revd Kate Douglas*+	Academic Secretary, Director of Academic Support	Until 12/22
Dr Shivanthi Manickasingham*+	Academic Secretary, Director of Academic Services	From 01/23
Mr Jonathan Mead*	Director of Finance and Administration Company Secretary	
Dr Cornelis Bennema+	Faculty Representative	From 10/22
Rev Dr Chris Steed+	Faculty Representative	Until 09/23
Dr Julie Rob+	Faculty Representative	From 10/23
Mr Anir Karki	Staff Representative	Until 09/23
Mr Glenn Clarke	Staff Representative	From 10/23
Mrs Elizabeth Case	Staff Representative	From 10/22

**continued overleaf >>**

\* Denotes member of the Finance and General Purposes Committee (F&GP).

+ Denotes member of the Academic Affairs Committee (AAC).



Year ended 31 August 2023

## Governance and management of the charity (continued)

### Attendees and Representatives (continued)

Name	Position	Note
Miss Rachel Walters	Student Body President	Until 03/23
Mr Boaz Moody	Student Body Male Vice-President	Until 03/23
Mr Noah Stannard	Student Body President	From 04/23
Miss Maria Thomas	Student Body Female Vice-President	From 04/23

### Company Secretary

Mr Jonathan Mead

### Methods of Recruitment of Trustees

The Charity draws on its wide range of supporters and former students, from whom trustee candidates with the required experience and skills are sought. It is the Charity's aim always to maintain a broad representation among its trustees, in terms of their academic, financial, interpersonal, cultural, business skills and religious commitments.

### Methods of Appointment

Once potential trustees have been identified and following a discussion at a meeting of the Board of Governors, the candidates are asked to submit a CV for consideration at the next Board meeting. Once candidates have been accepted by the Board and have confirmed their agreement to the Charity's Doctrinal Basis statement, they are usually co-opted onto the Board. Subsequently, at the next AGM they formally stand for election as a Company Member (if required) then stand for election as a Governor for a three year term.

### Training and induction provided for trustees

Our trustees will already be familiar with the ethos and working practices of the Charity, but each new trustee is personally briefed about their role. The Charity arranges suitable training for all trustees includes regular safeguarding training. Trustees are also asked to access the Charity Commission's website on a regular basis. Trustees are encouraged to attend and to be involved in the Charity's activities throughout the year.

### Senior Employees

Serving as the School's Executive Team during the year 2022/23:

Revd Prof Mark Cartledge	Principal
Rev Dr David Hilborn	Academic Dean
Mr Jonathan Mead	Director of Finance and Administration
Revd Kate Douglas	Academic Secretary, Director of Academic Support (until 12/22)
Dr Shivanthi Manickasingham	Academic Secretary, Director of Academic Services (from 01/23)

The arrangements for setting the remuneration of the senior employees are detailed in note 5.

## Statement of Corporate Governance

The Governors confirm that the financial Statements comply with the current statutory requirements and with the requirements of the charity's governing document.

The Board of Governors meets three or four times a year to consider all matters pertaining to the governance of the Charity. In addition to the trustees, the members of the executive team and elected student, staff and faculty representatives also attend. The main operating sub-committees of the Board meet two or three times a year and are the Finance & General Purposes Committee (F&GP), which is chaired by Paul Smith and manages the Charity's fiscal and business affairs under its devolved responsibility from the Board and the Academic Affairs Committee (AAC) chaired by Prof. Peter Oakes. In addition, there is a Scholarships and Bursaries Committee and a Pensions Committee, the former being chaired by the Director of Finance and Administration and the latter by a Pensions Trustee. The School reviews the terms of reference for all sub-committees of the Board of Governors every two years to ensure the School's governance is to the levels required by the School's status as a HEI.

The School has posted all its policies on matters of public, students and staff interest on the School's website. Please see: <https://lst.ac.uk/our-policies/>

## How the Charity is managed

The Executive Team (ExT) is the day-to-day decision-making body of the Charity, covering its full life and operations. The ExT meets regularly and is accountable to the Board of Governors.

Salaries of key staff are reviewed from time to time taking into account pay in comparable organisations and the finances of the Charity.

On academic matters arising from the Charity's work in providing higher education courses, the Charity has the Academic Affairs Committee mentioned above and an Academic Board that is chaired by the Academic Dean and to which various academic sub-committees report.

## Internal Control

The governors are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to the members of the Board in the terms and conditions of funding with the OfS.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks and to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically.

### The key elements of the School's system of internal control are as follows:

- Clear definitions of the responsibilities of, and the authority delegated to, the executive team, programme leaders and administrative heads of department;
- Regular reviews of key performance indicators and financial results involving variance analysis reporting and updates to forecasts;
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed approval according to levels set by the Board as contained within the expenditure policy;
- The maintenance of a risk register which highlights the key risks facing the School in achieving its objectives;
- The Finance & General Purposes Committee oversees the risk management process and considers changes in the major risks assessed for the School; and
- The Board receives regular reports from the Finance & General Purposes Committee on the effective operation of the system of internal control.

The Board's view of the effectiveness of the system of internal control is informed by the work of the Finance & General Purposes Committee and management who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditor in their management letter and other reports.

Year ended 31 August 2023

## Governance and management of the charity (continued)

### Fundraising approach and performance

The School undertakes fundraising activity to its supporters via direct mail, email, telephone and fundraising events. Our fundraising promise is:

#### When you support us, you can be sure of the following:

- We will never share your contact details with any other fundraisers
- We will only contact you if you are an alumnus, have expressed an interest in our work or are known to support similar organisations to ourselves.
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or to stop, we will respect that
- We do not engage in cold calling
- We try hard to ensure no one ever feels pressurised to support our work
- All our activities are open, fair, honest and legal.

These promises are also designed to protect vulnerable people, by ensuring we are not unreasonable or persistent or place undue pressure on any of our prospective donors.

The charity does not work with any other organisation to deliver its fundraising activity. We have a training programme for all our fundraising staff to regularly reinforce our fundraising ethics.

During the year we received no complaints about our fundraising activities

## The purpose of the charity

### Summary of the Objects of the Charity

The principal activity and objectives of the charitable company, as set out in the Articles of Association, is the advancement of the Christian religion, by such means as the Company may determine, including but not limited to:

- a. The conduct of the School and establishment and conduct of Colleges (in all cases) for the study and teaching of the Bible, Christian doctrine and related subjects;
- b. The training of ministers of religion, Christian teachers, missionaries and other Christian workers;
- c. The support of the School, its students and its former students, with all such activities being carried on in strict accordance with the [School's] Doctrinal Basis [of Faith].

### Public Benefit of the Charity

Trustees are aware of the guidance on Public Benefit as described by the Charity Commission, have taken it into account in operating the Charity, and have sought to ensure that any decisions taken are in furtherance of the Charity's benefit to the public. Trustees consider that the Charity's aims, objectives and activities as described below demonstrate proof of public benefit in the advancement of religion and in the advancement of education. In addition, through the operation of the Charity, associated benefits to the public arising from the operation of the Charity include:

- Access to the grounds by the wider community (e.g. schools and other organisations) consistent with the ethos of the School
- Provision of theological education to the wider community via our Faith Seeking Understanding programme
- Access to means-tested bursaries
- Access to means tested and subsidised Counselling through the REMA Counselling Service ([www.remacounselling.org](http://www.remacounselling.org))
- The provision of subsidised access to the theological library facilities for academics, students and members of the local Christian Community



# Strategic report

## Aims, objectives and activities

### Aims

To establish LST as an exemplar of engaged evangelical theological education in the UK.

### We achieve these aims by providing:

- higher education degrees (BA Hons to PhD): interdisciplinary, intercultural and integrated
- high quality scholarship and research, especially in the relationship between church and society
- public events and conferences
- short courses and training for local churches and denominational networks
- strategic engagement on public issues with evangelical and ecumenical partners
- consultancy for churches, mission agencies and parachurch organisations

### We see our key values as being:

- Actively becoming Christ-like developing godly character and virtues
- Being shaped by the canon of Scripture as the supreme authority for faith and life (the norming norm)
- Celebrating Christian community exhibiting the gifts and fruit of the Holy Spirit in praise, prayer, sacrament, fellowship and service and embodying collegiality for the flourishing of LST
- Demonstrating a commitment to excellence in all that we do, whether academic or professional
- Enhancing church life and witness, through strong networks of evangelical and ecumenical partnerships
- Forging relationships within our own wider community and greater London for the sake of the common good
- Gathering students from diverse cultures and ecclesial traditions
- Helping to care for creation, including our own physical and environmental resources, moving towards a carbon neutral footprint

### And some of our unique selling points would be having:

- The longest history of delivering degree qualifications from BA Hons to PhD in the Bible College and Theological College sector
- A very diverse student body, reflecting the cultural diversity of greater London as well as students from around the world
- Strong on-campus community having a vibrant spirituality (not all of our competitors are on-campus)
- Entirely online or blended BA Hons Theology degree options
- The 'and programmes': theology-based music and worship and counselling degrees
- Research degrees that compete with British Universities

Year ended 31 August 2023

## Strategic report (continued)

### Activities

All activities undertaken are in support of the aims and objectives of the Charity. Our primary activity is the provision of high-quality academic education that will equip our students for Christian service and leadership. All our other activities support that primary activity and help ensure that the School operates in a financially viable manner. Full details of our courses and other resources can be found on our website ([www.lst.ac.uk](http://www.lst.ac.uk)).

### Key Objectives and Activities for 2022/23 were:

- Continue the implementation of the strategic plan.
- Manage the finances of the institution to get close to operational break-even and engage the staff and faculty in understanding how they can play a role in this.
- Implement actions to improve student NSS scores and to respond to staff and faculty surveys.
- Meet agreed student recruitment targets and improve student retention.

### Measures of Success and Outcomes in 2022/23 were:

- The strategic plan was milestone and is on track
- Financial budgets were met but student recruitment was below target resulting in reduced fee income and an overall deficit for the year
- Focussed attention on student NSS scores has led to a significant improvement in the year. Staff and faculty surveys are also now in place on an annual basis.
- Student recruitment targets continue to be challenging to hit but key work on tackling retention has started to see beneficial results.

### Future Objectives and Activities for 2023/24:

- Continue to implement the strategic plan with a focus on rightsizing and resourcing.
- Achieve financial targets set for 2023-2024.
- Meet agreed student recruitment targets.
- Improve all student-related metrics according to individual targets (satisfaction, completion/attrition, graduate outcomes etc.).

## The operation of the Charity relationships and affiliations

The partnership with Middlesex University as the School's validating authority continues and remains a positive relationship.

The School is a member of the Evangelical Alliance, Global Connections (the Evangelical Missionary Alliance), the Association of Bible College Principals, the Association of Bible College Bursars, the European Evangelical Accrediting Agency and the British Association for Counselling and Psychotherapy (BACP).

## Risk Management Statement

The Charity's risk management strategy continues to be reviewed to identify the potential risks that could materially impact the Charity. The F&GP Committee reviews and monitors risk on a regular basis, taking direction from the risk evaluation undertaken by the school's departments during the year through a risk matrix. It seeks to mitigate identified risks on an on-going basis.

### The key risks facing the School during the year were identified as:

- **Academic Mission** – failing to get our new programmes validated in a timely manner.
- **Student Recruitment, Progression and Retention** – shortcomings in this area impact our students study ambitions and have a multi-year impact on the finances of the School.
- **Staff Recruitment** – we are not alone in seeing some of our staff choosing to leave and then struggling to attract new employees to replace them.
- **Compliance** – failure to meet all of the third-party requirements (Educational, GDPR and Health and Safety related).
- **Premises** – our buildings are aging and require more maintenance to keep them functioning well.

### Actions to address these risks include for our:

- **Academic Mission** – working closely with Middlesex our validating partner to complete the validation of our new programmes in a timely manner.
- **Student Retention and Progression** – we engaged a third party specialist to help us review all our existing policies and processes and provide training for our faculty and staff so everyone understands these better, we also introduced a foundations course for our new students to attend before starting their first year of studies so they are better equipped to start their studies with us.
- **Student Recruitment** – we have appointed a new admissions manager to oversee the end to end process from advertising, social media, conference attendance and open day events through to applications and the offering of places, we have also joined UCAS for the first time and opened our applications in September rather than December.
- **Staff Recruitment** – we have managed to recruit some great new members of faculty but find it harder to attract senior support staff and accept it simply takes longer to fill these roles.
- **Compliance** – with the implementation of data futures reporting we have continued to enhance our Student Information System so it contains all the data we are required to report on so we can then deliver this in a more timely and accurate basis.
- **Premises** – we have increased our maintenance team to ensure all reported issues are dealt with promptly and we have the capacity to run a rolling renewal programme of items coming to the end of their useful life.

The purchase of appropriate insurance products is also used to protect the Charity's assets and operations.

## Dependence on Volunteers

The Charity is reliant on the continuing voluntary commitment of the trustees, as well as other volunteers who have helped in a number of ways around the school. Students also volunteered in areas such as the library and helping with events, as well as running the student committee and acting as course representatives on academic committees.

## Facilitating Access to Christian Theological Education

The Charity operates thirteen separate restricted bursary funds. The Charity's policy is to award grants on the basis of demonstrable financial need, subject to any restrictions imposed by the original donors of the funds. Award decisions are made by the Charity's Scholarship and Bursary Committee.



Year ended 31 August 2023

## The finances of the Charity

Whilst the physical impacts of Covid started to decline during the year, it had a sting in its tail financially. New students were reticent to sign up and a material number of existing students struggled in some way, which led to more interrupting, dropping out, having to retake the year or having too many modules to complete or retake which meant they could not progress. All of this impacted student numbers and resulted in a £300k plus drop in our fees.

### Reserves

The total Unrestricted Funds amount to £7.6m (2022: £8.9m) before accounting for the pensions reserve surplus of £983k (2022: £770k). Included in these funds are £5.9m of designated income investments and functional fixed assets valued at £1.6m. Free reserves thus stand in surplus by £1.1m (2022: £1.5m).

This level of free reserve (specifically excluding the designated investments but including the pension assets) exceeds the 20% target of annual Unrestricted Funds expenditure. This level of free reserves gives the trustees confidence that the School remains a going concern.

The value and purposes of the School's various Restricted Funds are set out in note 12.3. The Trustees make use of these funds as opportunities arise.

### Investments

Over the year the value of the School's fixed asset investments decreased by £1,294k to £7,378k (2022: decrease of £1,481k), £500k of this decrease was a cash withdrawal to fund ongoing activities. These investments are invested with JM Finn investment managers.

The School's investment objectives are to provide long-term growth of both capital and income. These objectives form part of the contract with the fund manager JM Finn. The investments are reviewed quarterly by the F&GP Committee, who also meet with JM Finn as required.

The School's investments are held in managed funds. The school operates an Ethical investment policy which is based largely on the Church of England policy, to ensure that the school's investments are held in companies and sectors that demonstrate a proper regard for the environment and for the well-being of the created order.

The value of the investments were impacted by the September 22 mini budget which triggered an increase in interest rates and a market move away from investments to cash deposits. With the portfolio heavily invested in Infrastructure companies which were adversely impacted by this move, the portfolio underperformed the market for the year. The fund managers are confident they took the right decision to maintain these investments in the expectation they will bounce back strongly with the inevitable fall in interest rates.

### Financial Results

Overall income decreased from £3,210k to £3,049k (2022: decreased from £3,602k to £3,210k). Expenditure in total increased slightly from £3,700k to £3,760k. Declining income continues to be a significant issue, we had hoped that confidence might start to return to our existing and potential new students, but instead cost of living concerns continued to only exacerbate these creating even more uncertainty and increasing the chances of students interrupting or dropping out. Realistically there is a strong chance this will continue for at least a few more years so actions are being taken to address the financial viability of existing programmes and introduce new ones which should attract more new students. This investment in two new programmes one undergraduate and one postgraduate, requires a one off upfront investment in new programme leaders and module writing costs, which partially explains why the costs for the year actually increased rather than being reduced to try and offset the reduction in income. The final result for the year was an operational loss of £712k (2022: operational loss of £490k).

Investment values also suffered as a result of the market uncertainties. The overall loss for the year was £0.7m (2022: losses of £1.4m). The falling investment values also impacted the School's Defined Benefit Pension Scheme, but an increase in the discount rate (based on the yields of long dated high quality corporate bonds) from 4.2% to 5.3% as part of the actuarial assumptions for the FRS 102 year end valuation, reduced the predicted liabilities of the scheme by a greater amount than the investment losses, leading to the pension fund surplus actually increasing from £770k to £1,183k. With the scheme now well in surplus, the pension trustees have suggested the scheme should be prepared for a buy-out by an insurance scheme as soon as practically possible. Since the costs associated with this would be in the region of £200k the current surplus value has been reduced by this amount.

The School's funds have been applied for the purpose of the principal activity.

## Future plans

The delivery of a first class education to our students continues to be our principal aim. We are acutely aware that the ongoing cost of living challenges, will present our students with additional pressures and uncertainties in the next few years and deter many potential students from applying. We are determined to increase the level of support we have in place for our students to monitor their progress and well-being and work with our lecturers, tutor group leaders and support staff to monitor any concerns they observe, so these can be quickly followed up by our excellent pastoral and registry teams. We are also focused on continuing to implement our five year strategic plan which we are confident will help us address many of the challenges we and other similar colleges in our sector are currently facing.

## Independent Auditors

A resolution was made at the AGM in 2023 to reappoint Haysmacintyre LLP as auditors to the Charity. This appointment and the auditor's remuneration will be reviewed again at the AGM in 2024.

### Statement of disclosure to Auditors

As far as the Trustees are aware:

- There is no relevant audit information of which the Charity's Auditors are unaware.
- Trustees have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's Auditors are aware of that information.

This Governors' Report, which incorporates the Strategic Report, was signed on behalf of the Board of Governors in their capacity as the Company Directors by:

Mr Steve Hughes  
Chairman  
31st January 2024

Year ended 31 August 2023

# Independent Report of the Auditor's to the Members and Trustees of London School of Theology

## Opinion

We have audited the financial statements of London School of Theology for the period ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's affairs as at 31 August 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Matters on which we are required to report in respect of the Office for Students

In our opinion, in all material respects:

- funds administered by the charitable company for specific purposes during the year ended 31 August 2023 as disclosed in Note 3, have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students have been applied in accordance with the terms and conditions attached to them during the year ended 31 August 2023; and

We have nothing to report in respect of the following matters in relation to which the Office for Students requires us to report where:

- grant and fee income, as disclosed in the note 3 to the accounts, has been materially misstated; and expenditure on access and participation activities for the financial year has been materially misstated

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Year ended 31 August 2023

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

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

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

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulations prescribed by the Office for Students, employment law, safeguarding regulations and Company and Charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, OfS Accounts Direction and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the risk of improper revenue recognition in relation to donations, grants and trading income and the risk of management override of controls. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These related to the useful lives of fixed assets, valuation of the pension scheme asset and the bad debts provision.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Harper (Senior Statutory Auditor)  
for and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London EC4R 1AG

2nd February 2024

# Statement of Financial Activities

Year ended 31 August 2023

		Unrestricted Funds	Restricted Funds	Endowment	Total 2023	Total 2022
		£	£	£	£	£
	Notes					
<b>Income From</b>						
<b>Donations, grants and legacies</b>		140,785	61,920	-	202,705	319,789
<b>Charitable activities</b>						
Education	3	2,413,672	-	-	2,413,672	2,533,503
<b>Investments</b>		222,868	51,425	-	274,293	250,353
<b>Trading income</b>		116,598	-	-	116,598	72,246
<b>Other income</b>		41,473	-	-	41,473	33,720
<b>Total Income</b>		<b>2,935,396</b>	<b>113,345</b>	<b>-</b>	<b>3,048,741</b>	<b>3,209,611</b>
<b>Expenditure On</b>						
<b>Raising Funds</b>						
Investment manager fee		38,896	-	1,477	40,373	44,544
Trading expenses		51,363	-	-	51,363	50,133
Fundraising costs		60,296	-	-	60,296	58,205
<b>Charitable activities</b>						
Education		3,461,705	108,950	-	3,570,655	3,509,925
Conferences		37,662	-	-	37,662	36,894
<b>Total Expenditure</b>	4	<b>3,649,922</b>	<b>108,950</b>	<b>1,477</b>	<b>3,760,349</b>	<b>3,699,701</b>
Net expenditure before investment gains/(losses)		(714,526)	4,395	(1,477)	(711,608)	(490,090)
Investment losses		(606,582)	(116,723)	(20,607)	(743,912)	(1,427,885)
<b>Net expenditure</b>		<b>(1,321,108)</b>	<b>(112,328)</b>	<b>(22,084)</b>	<b>(1,455,520)</b>	<b>(1,917,975)</b>
Defined benefit pension scheme gains		213,000	-	-	213,000	343,000
<b>Net movement in funds</b>		<b>(1,108,108)</b>	<b>(112,328)</b>	<b>(22,084)</b>	<b>(1,242,520)</b>	<b>(1,574,975)</b>
Balance brought forward at 1 September 2022		<b>9,670,602</b>	<b>1,898,159</b>	<b>256,812</b>	<b>11,825,573</b>	<b>13,400,548</b>
Balance carried forward at 31 August 2023		<b>8,562,494</b>	<b>1,785,831</b>	<b>234,728</b>	<b>10,583,053</b>	<b>11,825,573</b>

The School had no recognised gains and losses other than the result for the period. There were no movements on reserves other than those on the Statement of Financial Activities above. No separate income and expenditure account has been prepared on the basis that the difference between the net result for the year as shown above and profit/(loss) as per Companies Act 2006 is shown separately in the endowment column of the Statement of Financial Activities.

# Balance Sheet

As at 31 August 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	7	1,614,790		1,723,723	
Investments	8	<u>7,377,889</u>		<u>8,671,508</u>	
			8,992,679		10,395,231
<b>Current Assets</b>					
Stocks	9	31,629		21,733	
Debtors	10	237,363		172,380	
Cash at bank and in hand		<u>832,554</u>		<u>942,822</u>	
		1,101,546		1,136,935	
<b>Current Liabilities</b>					
Creditors: within one year	11.1	<u>(441,322)</u>		<u>(476,593)</u>	
<b>Net Current Assets</b>			660,224		660,342
<b>Total assets less current liabilities</b>			9,652,903		11,055,573
Creditors: after more than one year	11.2		(52,850)		-
Pension scheme asset			<u>983,000</u>		<u>770,000</u>
<b>Net Assets including Pension Scheme assets</b>			<u>10,583,053</u>		<u>11,825,573</u>
<b>Funds</b>					
Unrestricted	12.2,13	7,579,494		8,900,602	
Restricted	12.3,13	1,785,831		1,898,159	
Endowment	12.1,13	<u>234,728</u>		<u>256,812</u>	
<b>Funds (excluding pension scheme reserve)</b>			9,600,053		11,055,573
<b>Unrestricted pension reserve</b>			<u>983,000</u>		<u>770,000</u>
			<u>10,583,053</u>		<u>11,825,573</u>

The financial statements were approved and authorised for issue by the Board on 31st January 2024 and were signed on its behalf by:

Mr Steve Hughes  
(Chairman)

Revd Prof Mark Cartledge  
(Principal)

# Cash Flow Statement

Year ended 31 August 2023

	2023		2022	
	£	£	£	£
<b>Reconciliation of changes in resources to net cash inflow from operating activities</b>				
<b>Net outgoing resources for the year</b>		(711,608)		(490,090)
Depreciation charged	208,898		203,653	
Increase in stocks	(9,896)		(1,844)	
Increase in debtors	(64,983)		(15,507)	
Decrease in creditors	(52,887)		(68,030)	
Less investment income	(274,294)		(250,353)	
		(193,162)		(132,081)
<b>Net cash flow from operating activities</b>		(904,770)		(622,171)
<b>Investing activities</b>				
Investment income	274,294		250,353	
Additions to investments	(1,497,156)		(2,667,100)	
Withdrawals from investments	500,000		-	
Sale of investments	1,546,864		2,719,778	
Purchase of tangible fixed assets	(99,966)		(21,594)	
		724,036		281,437
<b>Financing activities</b>				
Loan for asset purchases		70,466		-
<b>Decrease in cash in the year</b>		(110,268)		(340,734)
Cash and cash equivalents at the beginning of the year		942,822		1,283,556
<b>Cash and cash equivalents at the end of the year</b>		832,554		942,822
<b>Cash and cash equivalents (net funds) comprise:</b>				
Cash at bank		832,554		942,822
		832,554		942,822



# Notes to the Financial Statements

Year ended 31 August 2023

## 1. Company Status

London School of Theology is a charitable company incorporated in England and Wales. Further company information can be found on page 9.

London School of Theology is a company limited by guarantee and not having a share capital. The members have each undertaken to contribute such a sum as may be required, not exceeding £10, in the event of the company being wound up.

The London School of Theology is also a registered charity and as such is exempt from Corporation Tax on its charitable activities.

## 2. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice for Charities SORP 2015 (Second Edition, effective 1 January 2019), the Companies Act 2006 and FRS102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland. The accounts have also been prepared in accordance with the requirements of the Accounts Direction issued by the Office for Students.

London School of Theology meets the definition of a public benefit entity under FRS 102.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, The Governors consider that there are no material uncertainties regarding the charity's ability to continue as a going concern. As part of this review specific consideration has been given to the finances, cashflow as well as the potential risks and how these could be mitigated. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### (a) Basis of accounting

The financial statements are prepared under the historical cost convention which has been modified to include the revaluation of fixed asset investments.

### (b) Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable include contributions received from Restricted Funds for scholarships, bursaries and other grants.

### (c) Legacies

Legacies receivables are credited to the Statement of Financial Activities only to the extent that the 3 principles of entitlement, probability and measurability can be applied.

### (d) Donations and Fund accounting

Donations under Gift Aid are included in the Statement of Financial Activities inclusive of any tax recoverable. Donations received for the general purposes of the charity are included as Unrestricted Funds. Donations whose application is restricted by the wishes of the donor are taken to Restricted Funds and donations that are required to be retained as capital in accordance with the donor's wishes are accounted for as Endowments. Designated funds are those funds set aside by the Trustees out of the Unrestricted Funds for a particular purpose.

#### (e) *Expenditure*

Resources Expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. These include some specific costs and the following larger cost areas:

The Administration Department activities cover supporting teaching and students as well as administering the charity. 5% of the Administration Department's staff costs are charged to the Governance of the charity.

The Communication Department activities cover the issue of information to prospective students as well as publicising the charity for fundraising purposes. 20% of the Communication Department's costs are charged to fundraising and publicity.

Catering & Housekeeping costs are apportioned between the following activities at the given percentages, based on the estimated use of these resources during the year.

#### **Raising Funds**

Fund-raising trading costs – 2%

#### **Charitable activities**

Education – 94%

Conferences – 4%

Other administration and IT costs and Property & Services costs are apportioned between the following activities at the given percentages:

#### **Costs of generating funds**

Costs of generating voluntary income – 2%

Fund-raising trading costs – 0%

#### **Charitable activities**

Education – 96%

Conferences – 2%

#### (f) *Recognition of liabilities*

Liabilities are recognised in the period to which they relate. Shortfalls in anticipated future pension scheme commitments are calculated on the basis of assumptions stated in Note 16. Constructive obligations under pension arrangements are also recognised as liabilities.

#### (g) *Grants and bursaries*

Grants and bursaries from Restricted Funds are included as expenditure in the period in which the award is given.

#### (h) *Investments and investment income*

Investments are stated at the middle market price at the balance sheet date. Realised increases or decreases in the value of these investments are shown as realised gains or losses in the statement of financial activities. Investment income is accounted for in the period in which the charity is entitled to receive it.

#### (i) *Interest receivable*

The cash holdings of the special funds are held in the general fund bank accounts. The interest receivable on these balances is based on each of the special funds' holdings at the balance sheet date and transferred to the individual special funds as income in that year.

Year ended 31 August 2023

## 2. Accounting Policies (continued)

### (j) *Tangible fixed assets*

All assets are included at cost and capitalised only where the value is greater than £500.

Depreciation is calculated (except on freehold land) to write off the cost of buildings and tangible fixed assets on a straight-line basis over their estimated useful lives. Rates for fixed assets are applied as follows:

Land	0%	Equipment	20% – 25%
Buildings	2%	Computers	33%
Fixture and fittings	10%		

A depreciation rate on the building element of the properties reflects the anticipated active life of the existing structures. The Governors are, nevertheless, of the opinion that the residual value of the School's freehold buildings is substantially in excess of the present book value.

Leasehold properties are depreciated over the remaining life of the lease.

### (k) *Stock*

Stocks of catering and other supplies are valued at the lower of cost and net realisable value.

### (i) *Exchange gains and losses*

Transactions designated in foreign currencies are translated at the rate prevailing on the date of the transaction. Balances denominated in foreign currencies are translated at the rate prevailing at the balance sheet date.

### (m) *Operating leases*

Operating lease premiums are spread on a straight-line basis over the lease term.

### (n) *Pension costs*

#### **Defined Benefit Scheme**

Contributions to the defined benefit scheme are charged to the statement of financial activities on the basis of the current service cost as reported by the scheme actuaries under FRS 102.

#### **Defined Contribution Scheme**

Contributions payable to the defined contribution pension scheme are charged to the statement of financial activities in the period to which they relate.

### (o) *Critical sources of estimation uncertainty and accounting judgements*

The preparation of the organisation's financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income, and expenses. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The governors consider the key sources of estimation uncertainty and judgement to be: the useful lives of fixed assets, valuation of the pension scheme asset/(liability) and the bad debts provision.

### 3. Grant and Fee Income

	2023 £	2022 £
Grant income from the Office for Students	51,216	51,500
Fee income from taught awards	1,796,761	1,953,290
Fee income from non-qualifying courses	8,285	6,428
Other Educational and related income	557,410	522,285
	<u>2,413,672</u>	<u>2,533,503</u>

### 4. Expenditure

	Raising Funds £	Charitable Activities £	Total £
<b>Year Ended 31st August 2023</b>			
Direct costs	45,058	508,439	553,497
Staff costs	92,970	2,249,128	2,342,098
Depreciation	4,178	204,721	208,899
Bursaries and prizes	-	108,950	108,950
Support and governance costs	9,826	537,079	546,905
	<u>152,032</u>	<u>3,608,317</u>	<u>3,760,349</u>

	Raising Funds £	Charitable Activities £	Total £
<b>Year Ended 31st August 2022</b>			
Direct costs	54,739	559,054	613,793
Staff costs	85,102	2,125,937	2,211,039
Depreciation	4,073	199,580	203,653
Bursaries and prizes	-	140,319	140,319
Support and governance costs	8,968	521,929	530,897
	<u>152,882</u>	<u>3,546,819</u>	<u>3,699,701</u>

#### Included in expenditure are the following:

The auditor's remuneration during the year amounted to £15,950 for audit services (2022: £13,300) and £nil for other services (2022: £nil).

Hire of plant (operating leases) which amounted to £7,814 (2022: £7,814).

## Year ended 31 August 2023

## 5. Staff Costs

	2023 £	2022 £
Wages and salaries	2,013,952	1,864,317
Social security costs	171,010	171,492
Pension contributions	121,424	110,255
Other pension costs	35,712	64,975
Termination payments	-	-
	<u>2,342,098</u>	<u>2,211,039</u>

No members of the London School of Theology, who are trustees and directors for the purposes of the Companies Act received any remuneration for their services during the year (2022: 0). Two trustees (2022: 1) received reimbursement of their travel expenses totalling £220 (2022: £206) during the year. There were no other related party transactions during the year.

The average number of employees by function was:	2023 No.	2022 No.
Education	72	69
Fund-raising and publicity	3	3
Ancillary to main function of education	2	2
	<u>77</u>	<u>74</u>

One employee earned between £70,000 and £80,000 and 2 employees between £60,000 and £70,000 during the year, no other employees earned more than £60,000 (2022: one employee earned between £70,000 and £80,000 and 2 employees between £60,000 and £70,000). Key management personnel remuneration for the period (salaries, taxable benefits and employers pension contributions) totalled £318,000 (2022: £302,000).

Mark Cartledge was principal for the year. He was paid £79k plus pension contributions (2022: £76k plus pension contributions). The principal's base salary and gross salary including pension contributions are 2.4 times (2022: 2.3 times) the median pay of all other employees (on an FTE basis).

**When making changes to the salaries of senior staff, the School takes account of:**

- Sustained performance and contribution during the preceding year(s).
- Any material changes in roles and responsibilities since the previous review period.
- The percentage increase in salary awarded to staff
- The overall affordability of any proposed increases to senior salaries, taking account both of the School's financial performance and the need to offer salaries that compare favourably with competitor institutions.

The School will review and moderate the pattern of increases across its senior staff in order to ensure fairness and consistency.

Specifically regarding the principal's remuneration, this is set by the chair and vice chair of trustees taking in to account his or her performance in meeting the goals set as part of the annual appraisal process.

The current level of remuneration at 2.4 (2022: 2.3) times the medium salary of all other staff is considered relatively low, for the level of responsibility held by the post holder, the breadth of courses offered by the School and the significant changes he has had to manage in recent years, including most recently the implementation of the School's new five year strategic plan.



## 6. Access and Participation

	2023		2022	
	Actuals £	Per Plan £	Actuals £	Per Plan £
Access investment	68,099	41,000	70,030	55,000
Financial support	33,860	35,000	84,383	156,000
Research and evaluation	29,421	15,000	24,166	12,500
	131,380	91,000	178,579	223,500
Staff costs included in the above	57,182		58,445	

The School's Access and Participation Plan can be found at:

<https://accessandparticipationplans.officeforstudents.org.uk/accessplansdownloads/2226/>

[LondonSchoolofTheology\\_APP\\_2022-23\\_V1\\_10004075.pdf](#)

## 7. Fixed Assets

	Freehold and leasehold property £	Motor Vehicles £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 September 2022	1,287,768	3,676	2,374,827	3,666,271
Additions	-	-	99,965	99,965
At 31 August 2023	1,287,768	3,676	2,474,792	3,766,236
<b>Depreciation</b>				
At 1 September 2022	433,341	3,676	1,505,531	1,942,548
Charge for the year	20,719	-	188,179	208,898
At 31 August 2023	454,060	3,676	1,693,710	2,151,446
<b>Net Book Value</b>				
At 31 August 2023	833,708	-	781,082	1,614,790
At 31 August 2022	854,427	-	869,296	1,723,723

## 8. Fixed Assets Investments

	2023 £	2022 £
Market value at 1 September 2022	8,671,508	10,152,071
Additional investments purchased	1,497,156	2,667,100
Disposals at market value	(1,546,864)	(2,719,778)
Withdrawals	(500,000)	-
Revaluation in the year	(743,911)	(1,427,885)
Market value at 31 August 2023	7,377,889	8,671,508
Cost of investments	7,147,720	7,276,421

The School's investments comprise a mixed portfolio of listed investments managed by JM Finn & Co., with a total value as at 31 August 2023 of £7,377,889.

## Year ended 31 August 2023

**9. Stocks**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Catering and other sundry stocks	31,629	21,733

**10. Debtors**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Fee debtors	72,363	52,402
Other debtors	13,070	1,671
Prepayments	151,930	118,307
	<u>237,363</u>	<u>172,380</u>

**11. Creditors****11.1 Amounts falling due within one year**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Trade creditors	75,153	72,970
Deferred income – payments received on account	116,113	127,299
Social security costs	42,798	44,935
Pension scheme contributions	16,150	16,270
Other creditors	47,093	34,693
Accruals	144,015	180,426
	<u>441,322</u>	<u>476,593</u>

**Deferred income comprises:**

	<b>Balance at 1 September 2022</b>	<b>Receipts in the year</b>	<b>Credited to income in the year</b>	<b>Balance at 31 August 2023</b>
Fees in advance	108,517	61,992	(67,224)	103,285
Open learning fees	18,782	12,828	(18,782)	12,828
	<u>127,299</u>	<u>74,820</u>	<u>(86,006)</u>	<u>116,113</u>

**11.2 Amounts falling after one year**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Capital payments on loan for solar panels	52,850	–

During the year the School installed 142 solar panels on its roof which it funded with a loan from one of its trustees. The loan is repayable in 4 equal instalments of £17,616 on the 5th May commissioning anniversary, the first payment being due in May 2024.

## 12. General and Special Funds

### 12.1 Endowment Funds

	Balance at 1 September 2022	Income	Gains/(Losses)	Balance at 31 August 2023
	£	£	£	£
Montague Goodman Bursary	104,117	(599)	(8,354)	95,164
Jomac Hennell Bursary	33,452	(192)	(2,684)	30,576
Sir John Laing Memorial	104,505	(601)	(8,386)	95,518
Sir John Laing Lecture	14,738	(85)	(1,183)	13,470
	<u>256,812</u>	<u>(1,477)</u>	<u>(20,607)</u>	<u>234,728</u>

	Balance at 1 September 2021	Income	Gains/(Losses)	Balance at 31 August 2022
	£	£	£	£
Montague Goodman Bursary	117,072	(394)	(12,561)	104,117
Jomac Hennell Bursary	37,615	(127)	(4,036)	33,452
Sir John Laing Memorial	117,509	(396)	(12,608)	104,505
Sir John Laing Lecture	16,572	(56)	(1,778)	14,738
	<u>288,768</u>	<u>(973)</u>	<u>(30,983)</u>	<u>256,812</u>

The Montague Goodman, Jomac Hennell and Sir John Laing Memorial funds were established for the provision of bursaries to students attending the School. The Sir John Laing Lecture fund was established to finance the organisation of the annual memorial lecture. The capital of these funds are to be kept in perpetuity.

### 12.2 Unrestricted Funds

	Balance at 1 September 2022	Income	Expenditure/ Fund transfers	Gains/ (Losses)	Balance at 31 August 2023
	£	£	£	£	£
General fund	2,418,501	2,935,396	(3,649,922)	-	1,703,975
Designated fund	6,482,101	-	-	(606,582)	5,875,519
Pensions reserve	770,000	-	-	213,000	983,000
	<u>9,670,602</u>	<u>2,935,396</u>	<u>(3,649,922)</u>	<u>(393,582)</u>	<u>8,562,494</u>

	Balance at 1 September 2021	Income	Expenditure/ Fund transfers	Gains	Balance at 31 August 2022
	£	£	£	£	£
General fund	2,974,154	3,002,756	(3,558,409)	-	2,418,501
Designated fund	7,703,503	-	-	(1,221,402)	6,482,101
Pensions reserve	427,000	-	-	343,000	770,000
	<u>11,104,657</u>	<u>3,002,756</u>	<u>(3,558,409)</u>	<u>(878,402)</u>	<u>9,670,602</u>

The designated fund was established in 2017 from the proceeds of a land sale and invested with JM Finn to generate long term investment income for the School.

Year ended 31 August 2023

**12. General and Special Funds (continued)****12.3 Restricted Funds**

	Balance at 1 September 2022	Income	Expenditure	(Losses)	Balance at 31 August 2023	Purpose of fund
	£	£	£	£	£	
Henman Memorial Bursary	524,686	13,885	(2,251)	(36,789)	499,531	For student bursaries
Student Grant Bursary	903,313	21,996	(3,057)	(63,336)	858,916	For student bursaries
Graham Scholarship	149,920	3,964	(643)	(10,512)	142,729	For student bursaries
Mary Fisher Memorial	36,345	1,068	(157)	(2,548)	34,708	For student bursaries
L Smid-Walker bursary	1,074	1,019	-	-	2,093	For international bursaries
Laing Scholarship	3,000	12,000	(10,350)	-	4,650	For research student scholarship
Student Wives Bursary	47,888	1,459	(237)	(3,358)	45,752	For study support for Students' spouses
Music and Worship Bursary	9,378	6,199	(6,066)	-	9,511	For bursaries to music and worship students
Students in Need Fund	21,892	19,892	(16,143)	-	25,641	For students in need
Reading Prize Fund	(100)	-	(100)	-	(200)	For annual prizes
Sir Eric Richardson Prize	130	10	(102)	(9)	29	For annual prizes
Griffiths Prize	2,442	72	(112)	(171)	2,231	For annual prizes
Faculty Hardship Fund	958	-	(958)	-	-	For faculty members
Children Workers Course	1,759	-	-	-	1,759	For the development of Children's ministry
David Wheaton book bursary	641	-	(222)	-	419	For the purchase of books
Beacon Trust	10,282	-	(6,915)	-	3,367	To help support a student from Latin America
Henman Internet Fund	4,013	-	-	-	4,013	For the development of IT projects by LST research students.
Tom Rees Evangelist in residence	6,688	-	-	-	6,688	For funding an evangelist in residence
Vaux sur Seine	2,224	-	-	-	2,224	For the translation of open learning resources into French
Building Development Fund	1,091	1,000	-	-	2,091	For School development projects
Alumni Fund	16,783	1,388	(4,933)	-	13,238	For alumni events and bursaries
Hebrew Prize	620	-	(100)	-	520	For high attainment in Hebrew language studies
W Atkinson Prize	900	-	-	-	900	For taught Masters
ECLAS Science for Seminaries	39,436	-	(27,811)	-	11,625	For the advancement of science-engaged theology
BFBS	20,910	1,050	(10,083)	-	11,877	For research fellow
Other restricted funds	30,158	19,371	(18,710)	-	30,819	For various restricted purposes
<b>Endowment Income Accounts</b>						
Montague Goodman Bursary	25,744	3,030	-	-	28,774	For student bursaries
Jomac Hennell Bursary	10,233	972	-	-	11,205	For student bursaries
Sir John Laing Memorial	27,121	3,040	-	-	30,161	For student bursaries
Sir John Laing Lecture	(1,370)	1,930	-	-	560	For the annual memorial lecture
<b>Total</b>	<b>1,898,159</b>	<b>113,345</b>	<b>(108,950)</b>	<b>(116,723)</b>	<b>1,785,831</b>	

## 12.3 Restricted Funds

	Balance at 1 September 2021	Income	Expenditure	(Losses)	Balance at 31 August 2022	Purpose of fund
	£	£	£	£	£	
Henman Memorial Bursary	568,109	11,830	-	(55,253)	524,686	For student bursaries
Student Grant Bursary	979,920	18,698	-	(95,305)	903,313	For student bursaries
Graham Scholarship	162,330	3,378	-	(15,788)	149,920	For student bursaries
Mary Fisher Memorial	39,458	825	(100)	(3,838)	36,345	For student bursaries
L Smid-Walker bursary	-	16,312	(15,238)	-	1,074	For international bursaries
Laing Scholarship	1,582	12,000	(10,582)	-	3,000	For research student scholarship
Student Wives Bursary	51,670	1,243	-	(5,025)	47,888	For study support for Students' spouses
Music and Worship Bursary	1,058	8,320	-	-	9,378	For bursaries to music and worship students
Students in Need Fund	21,559	19,274	(18,941)	-	21,892	For students in need
Reading Prize Fund	-	-	(100)	-	(100)	For annual prizes
Sir Eric Richardson Prize	245	9	(100)	(24)	130	For annual prizes
Griffiths Prize	2,748	61	(100)	(267)	2,442	For annual prizes
Faculty Hardship Fund	958	-	-	-	958	For faculty members
Children Workers Course	1,759	-	-	-	1,759	For the development of Children's ministry
David Wheaton book bursary	558	758	(675)	-	641	For the purchase of books
Beacon Trust	8,102	3,000	(820)	-	10,282	To help support a student from Latin America
Henman Internet Fund	4,013	-	-	-	4,013	For the development of IT projects by LST research students.
Tom Rees Evangelist in residence	6,688	-	-	-	6,688	For funding an evangelist in residence
Vaux sur Seine	2,224	-	-	-	2,224	For the translation of open learning resources into French
Building Development Fund	-	1,091	-	-	1,091	For School development projects
Alumni Fund	17,920	3,135	(4,272)	-	16,783	For alumni events and bursaries
Hebrew Prize	520	100	-	-	620	For high attainment in Hebrew language studies
W Atkinson Prize	-	1,000	(100)	-	900	For taught Masters
ECLAS Science for Seminaries	55,914	50	(16,528)	-	39,436	For the advancement of science-engaged theology
BFBS	-	67,073	(46,163)	-	20,910	For research fellow
Other restricted funds	24,492	32,266	(26,600)	-	30,158	For various restricted purposes
<b>Endowment Income Accounts</b>						
Montague Goodman Bursary	23,164	2,580	-	-	25,744	For student bursaries
Jomac Hennell Bursary	9,404	829	-	-	10,233	For student bursaries
Sir John Laing Memorial	24,531	2,590	-	-	27,121	For student bursaries
Sir John Laing Lecture	(1,803)	433	-	-	(1,370)	For the annual memorial lecture
<b>Total</b>	<b>2,007,123</b>	<b>206,855</b>	<b>(140,319)</b>	<b>(175,500)</b>	<b>1,898,159</b>	



Year ended 31 August 2023

### 13. Analysis of Net Assets Between Funds

	General Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
<b>Fund balances at 31 August 2023</b>				
<b>Represented by:</b>				
Tangible fixed assets	1,614,790	-	-	1,614,790
Investments	5,813,583	1,329,578	234,728	7,377,889
Current assets	645,293	456,253	-	1,101,546
Current liabilities	(441,322)	-	-	(441,322)
Creditors due after one year	(52,850)	-	-	(52,850)
	7,579,494	1,785,831	234,728	9,600,053
Pension Scheme assets	983,000	-	-	983,000
	8,562,494	1,785,831	234,728	10,583,053

### 14. Corporation Tax

The company is exempt from Corporation Tax on its charitable activities.

### 15. Pension Commitments

The School operates two pension schemes for its employees; the London School of Theology Pension and Assurance Scheme ("the Defined Benefit Scheme"), which is a defined benefit occupational pension scheme and a Group Personal Pension (GPP) which is a defined contribution arrangement.

The Defined Benefit Scheme is closed to new members. Employees who joined the School after 1 April 2000 are offered membership of the Group Personal Pension (GPP). The assets of the Defined Benefit Scheme are held separately from the assets of the School and are administered by Trustees and managed professionally. The assets of the Group Personal Pension are held separately from the assets of the School and are managed professionally.

Under the Group Personal Pension (GPP) the School pays contributions to personal pension policies for pensionable employees who joined the School after 1 April 2000. The pension cost charge represents contributions payable by the School to the personal pension policies and amounted to £121,424 (2022: £110,255). At 31st August there were £16,150 of outstanding contributions (2022: £16,270) payable to the personal pension policies.

The remainder of this note relates to the pension costs for the Defined Benefit Scheme determined in accordance with the accounting standard FRS 102 as amended by Accounting Standards Board December 2006, amendment. The contributions to the GPP are accounted for on a cash accruals basis in addition to the costs shown below.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least every three years to determine whether the Statutory Funding Objective is met. As part of the process the school must agree with the Trustees of the Scheme the contributions to be paid to address any shortfall against the Statutory Funding Objective.

The Defined Benefit Scheme is administered by Barnett Waddingham LLP in accordance with the rules and valuations of that fund. Before the scheme closed to future accruals in the year, contribution rates for employees were 6% of pensionable salary. Employer contributions were 14.1% of pensionable salary. Barnett Waddingham LLP have provided actuarial advice to the Governors.

## Non Scheme Pension Provision

In addition to the Scheme liabilities there is a potential liability of £nil (2022: nil) for discretionary pension benefits, if such payments continued to be made over the lives of the beneficiaries at the present rate. These beneficiaries may include retired members of staff who are not members of the Scheme. These benefits are paid from the School's general fund and not from the Scheme itself.

The amounts in the balance sheet, excluding the discretionary pension benefit amounts, are as follows:

	2023 £000's	2022 £000's
Scheme assets at year end	4,840	5,183
Present value of funded obligations obligation	(3,657)	(4,413)
	1,183	770
Provision for costs of potential buyout of scheme	(200)	-
	983	770
<b>Actuarial (gains) / losses comprise:</b>		
Loss on scheme assets in excess of interest	264	1,136
Gain from change in assumptions	(541)	(1,653)
Experience (gains) / losses on liabilities	(103)	181
	(380)	(336)
<b>Analysis of amounts charged to activity costs categories:</b>		
	2023 £000's	2022 £000's
<b>Bank and other Interest / (other finance charges)</b>		
Interest on scheme assets	(212)	(99)
Interest on liabilities	179	92
	(33)	(7)
<b>Change in scheme liabilities</b>		
Beginning balance	(4,413)	(6,070)
Interest cost	(179)	(92)
Gains from changes in actuarial assumptions	541	1,653
Experience gains / (losses) on liabilities	103	(181)
Benefits paid	291	277
Closing balance	(3,657)	(4,413)
<b>Change in scheme assets</b>		
Beginning balance	5,183	6,497
Interest on scheme assets	212	99
Return on assets less interest	(264)	(1,136)
Contributions by employer	-	-
Benefits paid	(291)	(277)
Closing balance	4,840	5,183

## Year ended 31 August 2023

## 15. Pension Commitments (continued)

The value of scheme's assets currently exceeds the FRS valuation of the scheme's liabilities by £1.1m. A recommendation has been made by the pension trustees that plans be put in place to move towards a complete buyout of the scheme's liabilities by an insurance company within the next three to five years. At the point this happens, any excess funds would be returned to LST and on this basis the current surplus is recorded as an asset in the accounts. Since there will be quite significant costs associated with this buy out and there are only a limited number of insurance companies that might be interested in bidding for them, which may increase the cost they quote to purchase them, the current recognised surplus has been reduced by an amount of £200k so the balance more accurately reflects the potential recoverable amount.

	31 August 2023		31 August 2022	
	% of assets	Fund value £000s	% of assets	Fund value £000s
Equities and other growth assets	41%	1,988	45%	2,313
Bonds and cash	59%	2,852	55%	2,870
Total assets at end of year		4,840		5,183
			<b>2023</b>	<b>2022</b>
			<b>£000s</b>	<b>£000s</b>
Actual return on scheme assets			(52)	(1,037)

The value of the Scheme's liabilities has been determined by a qualified actuary based on the results of the actuarial valuation as at 5 April 2021, updated to the review date allowing for cashflows in and out of the scheme and using the following assumptions:

Actual assumptions used:	2023 %	2022 %
Discount rate	5.3%	4.2%
Rate of increase in pensions in payment (RPI max 5%)	3.3%	3.8%
Rate of increase in pensions in payment (RPI max 3%)	2.55%	2.9%
Rate of RPI price inflation	3.4%	3.9%
Rate of CPI price inflation	2.4%	2.9%
Post – retirement mortality	110% S3PMA/ 105% S3PFA CMI 2020 [1%]	110% S3PMA/ 105% S3PFA CMI 2020 [1%]

Commutation: Members are assumed to take 20% of their pension as tax free cash.

## Sensitivity analysis

Impact on the value of liabilities of:

Reduction of 0.1% in the Discount Rate	£36k increase
Increase of 0.1% in inflation assumption	£18k increase
Increase in long-term mortality projection of 1.5%	£43k increase

## 16. Leasing Commitments

At 31 August 2023, the School was committed to making the minimum lease payments in respect of hire of machinery:

Operating leases which expire:	2023 £	2022 £
Within 1 year	7,814	7,814
Within 2 to 5 years	1,954	9,768
	<u>9,768</u>	<u>17,582</u>

## 17. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Endowment £	Total 2022 £
<b>Income From</b>				
<b>Donations and legacies</b>	155,411	164,378	-	319,789
<b>Charitable activities</b>				
Education	2,533,503	-	-	2,533,503
<b>Investments</b>	207,876	42,477	-	250,353
<b>Trading income</b>	72,246	-	-	72,246
<b>Other income</b>	<u>33,720</u>	<u>-</u>	<u>-</u>	<u>33,720</u>
<b>Total Income</b>	<u>3,002,756</u>	<u>206,855</u>	<u>-</u>	<u>3,209,611</u>
<b>Expenditure On</b>				
<b>Raising Funds</b>				
Investment manager fee	43,571	-	973	44,544
Trading expenses	50,133	-	-	50,133
Fundraising costs	58,205	-	-	58,205
<b>Charitable activities</b>				
Education	3,369,606	140,319	-	3,509,925
Conferences	<u>36,894</u>	<u>-</u>	<u>-</u>	<u>36,894</u>
<b>Total Expenditure</b>	<u>3,558,409</u>	<u>140,319</u>	<u>973</u>	<u>3,699,701</u>
Net expenditure before transfers	(555,653)	66,536	(973)	(490,090)
Investment losses	<u>(1,221,402)</u>	<u>(175,500)</u>	<u>(30,983)</u>	<u>(1,427,885)</u>
<b>Net expenditure</b>	<u>(1,777,055)</u>	<u>(108,964)</u>	<u>(31,956)</u>	<u>(1,917,975)</u>
Defined benefit pension scheme gains	<u>343,000</u>	<u>-</u>	<u>-</u>	<u>343,000</u>
<b>Net movement in funds</b>	<u>(1,434,055)</u>	<u>(108,964)</u>	<u>(31,956)</u>	<u>(1,574,975)</u>
Balance brought forward at 1 September 2021	<u>11,104,657</u>	<u>2,007,123</u>	<u>288,768</u>	<u>13,400,548</u>
Balance carried forward at 31 August 2022	<u>9,670,602</u>	<u>1,898,159</u>	<u>256,812</u>	<u>11,825,573</u>



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