

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
BIRMINGHAM CHRISTIAN COLLEGE

Leroy Reid & Co
Chartered Certified Accountants
and Statutory Auditors
299 Northborough Road
Norbury
London
SW16 4TR

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FOR THE YEAR ENDED 31ST DECEMBER 2020

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BIRMINGHAM CHRISTIAN COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2020

TRUSTEES	Reverend O O Afriyie - Chairman Dr L A E Donkor Elder K J Adomako Dr K Agyapong-Kodua Ms W Agyemang Rev F O Kwaah Rev E K Nyamekye (appointed 24.6.20)
COMPANY SECRETARY	Dr L A E Donkor
REGISTERED OFFICE	Crowther Hall Hamilton Drive Selly Oak Birmingham West Midlands B29 6AJ
REGISTERED COMPANY NUMBER	02320164 (England and Wales)
REGISTERED CHARITY NUMBER	1002205
AUDITORS	Leroy Reid & Co Chartered Certified Accountants and Statutory Auditors 299 Northborough Road Norbury London SW16 4TR

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objectives of the charity are defined by the Memorandum of Association of the Company as follows:

1. Promoting the advancement of the Christian faith in the UK and elsewhere by spreading the Gospel of the Lord Jesus Christ.
2. Providing education and training in the knowledge, understanding and practice of the Evangelical Christian faith and to do all such things as are necessary to the attainment of that object.
3. Since CoP-UK also has among its main objectives: to advance the Christian faith and advance education, BCC's working partnership is working well and resulting not only in mutual benefit but also benefiting the public in ways that either of them would have found difficult to achieve in the current circumstances. About four hundred and sixty two lay-leaders of the church benefited from various training activities run by BCC. Also, forty youth from three universities in the Midlands who are youth leaders of the CoP had a training event at the BCC campus that was facilitated by BCC staff.

Public benefit

Facilities of the Hamilton Drive campus were available for use at subsidised rates throughout the year and the BBC used the site facilities as settings for some television programmes. The facilities also housed many actors and directors of the BBC Doctors Series and accommodated residential lay-leaders.

As the upgrading of the facilities continues, we are beginning to receive enquiries from different groups of the public. We had students from three universities in the Midlands come to use the campus for training youth leaders.

Once the Chapel, which has a larger hall, is completed public interest in the site will grow and we are happy to serve our community.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

STRATEGIC REPORT

Achievement and performance

Charitable activities

The improvement and modernisation of the heating system, lightening and energy efficient strategies such as installation of new UPVC double-glazed windows, replacing of timber claddings for UPVC claddings throughout the site, new kitchens, new bathrooms and new internal decorations continues on the site. In 2020, the East Block which has three (3) lecture halls, nine (9) single bedrooms, two (2) kitchens, two (2) offices and a counselling room became the hub of our training activities just before the Covid-19 pandemic. Preparatory work which continued on the site for the refurbishment and extension of the Chapel Block was stopped due to the Covid-19 lockdowns. This project is expected to be completed in 2021. When work on the Chapel Block is completed, we will have an extended library with modernised facilities, a large space for social activities, a media studio for multimedia activities, new office and reception and a larger hall that could seat about 250 people in place of an old 85 capacity hall. Apart from the Ministerial Students of our partner church, some of whom came from continental Europe, we enrolled 13 other students from Spain and different parts of the UK.

University Validation

Our application to Newman University in Birmingham to have our courses validated by them by the end of 2019 was achieved. We were successful with the final stage in February 2020 and had our BA programme fully validated. BCC now has University validation for two BA programmes in theology (Pastoral and Biblical Theology and Theology and Missional Leadership). This validation will now enable BCC to offer undergraduate degree courses for Christian leadership training in a wide range of ministry opportunities in the church and marketplace. These courses will aim to equip people to get a better understanding of the Good News of the Christian faith to the multi-cultural society in the West Midlands, UK and beyond.

Impact of Covid-19

The outbreak of the pandemic and the lockdown were sudden and almost disrupted our academic activities. However we moved all our teaching and tutorials online while our administrative staff and fulltime faculty worked from home to deliver their lectures. Our visiting lecturers were also very supportive of the new arrangements in ways that ensured that our students did not lose anything apart from perhaps, the physical contact with lectures and each other. The closure of our campus resulted in loss of income as we could not continue with the weekend lay leadership training nor the accommodation provided for the BBC actors and directors.

From September 2020 Newman University agreed that we could teach the BA fully online for 2020/21 academic year. We therefore took steps to make improvements to the students' experience whilst they are studying remotely.

We upgraded our IT software to the A5 Office 365 licence which includes remote access for staff to all files and data. We also have free education Office 365 licences for all students. This enables us to use Microsoft Teams for lecturing. In addition to this a Moodle learning platform was created where course materials are stored for students to access remotely. General documents such as student handbooks, policies and procedures and forms can be accessed by both staff and students. Moodle has also been set up to integrate with the Turnitin plagiarism software and students access their assessments and upload their coursework submissions on Moodle.

We have also made significant investment in eBooks for the majority of core textbooks and we have taken out a subscription with Perlego platform which has a significant number of theology and religious studies books. Staff are also scanning and uploading other texts where e-versions are not available.

Individual tutorial sessions are being held with students to ensure they are coping with their studies and they have also been holding regular group sessions for study skills support. Other lecturers are also providing individual subject support as required. Feedback from the students has been positive.

Offering training online has increased our student numbers and we are therefore confident that BCC will remain a viable charity to serve the public in the Midlands.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

STRATEGIC REPORT

Financial review

Financial position

The financial results show that the college was focused on achieving an on-going viable operational regime with completely new activities and had restricted other operations to preserve its financial resources.

As for recent years overall surpluses have been re-invested in the long term refurbishment of the provision of the college. The 49 year leasehold provision now stands at a book value of £1,212,264.

The additional expenditure is mainly further uncapitalised maintenance cost with day to day low level operations incurring approximately £100,000 for both of the recent years.

Reserves policy

The trustees are aware that available reserves have dipped below the level of recent years but consider that in view of the collaborative working with The Church of Pentecost-UK, they are sufficient for the time being. After the huge capitalisation that is going on through the refurbishment funds and donations will be available again to build the College's reserves.

Going concern

The directors considers that the College/Charity accounts should be prepared on the going concern basis. This was determined by the working partnership between The Church of Pentecost - UK (CoP) by which BCC is engaged to train both lay-leaders and clergy of the church in the whole European continent and beyond. This arrangement guarantees student recruitment in the very long term. Also, a long-term lease of the BCC campus in a central location in Birmingham for over forty years gives the college the necessary facilities to serve the churches in the regions.

BCC continues to operate with the assumption that it will remain active for the foreseeable future and that it has the resources needed to continue operating indefinitely until it provides evidence to the contrary.

To offset such costs arising from unforeseen factors impacting the ability of the College to deliver education, the college has business interruption cover of £1m. Should the event not be covered by insurance the college is confident that its partnership with The Church of Pentecost - UK provides it with a level of reserves which is more than adequate to cover any eventuality.

Principal risks and uncertainties

The trustees review major potential risks that the College faces on a regular basis. As part of the on-going comprehensive site review and planning, continuing risks are being reviewed progressively. The enormity of the capital funding required for the upgrading of the site and its facilities was considered a major risk. However, both the International and National Councils of The Church of Pentecost uphold the partnership whereby the church supports BCC in an arrangement that is mutually beneficial to the two charities. A day has been established as BCC Donation Day in the church on which all the branches of the CoP across Europe ask for and encourage voluntary donations from members towards the running of BCC. The church also seconded a member of staff to work at the college and funds a lectureship post at the church's expense because of the training BCC provides to the church and the public.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

STRATEGIC REPORT

Future plans

The partnership between BCC and CoP-UK enabled the college to continue running training courses for CoP ministers throughout the 2019/20 academic year with a number of CoP ministers receiving their training at BCC. This arrangement will continue and expand. We will continue with the delivery of training as usual but now at degree level. The students studies virtually through our newly acquired virtual learning platforms. This enhances our prospects for more clients and individuals coming to us for training.

International collaboration - BCC will now participate in the global training activities of our partner, providing staff and facilities for virtual training of different kinds.

Research Centre - we will start our research centre as soon as the Chapel Block is completed in 2021.

Short courses - in addition to these the trustees intend to work towards offering other short courses open to Christians within the West Midlands and further afield. BCC has institutional accreditation from the Accreditation Services for International Colleges (ASIC) that enables BCC to bring CoP ministers in other European nations who are non-EU nationals to the BCC site in the UK for pre-ordination and post-ordination professional development training.

New Counselling courses - we have received validation from the Counselling and Psychotherapy Central Awarding Body (CPCAB) to run Level 2 and 3 courses in counselling. We are currently working on marketing this product to the general public.

MA programme - we are working on the validation of a Master's programme to cater for church leaders who do not have formal theological training and wish to have one due to the complex nature of ministry and the changing trends in missions.

Office of Students - we are also working to get registered with the Office of Students so prospective students who want to get loans for their studies are able to do so. This will increase our chances for recruiting and enrolling a higher number of students and serving our community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The College is a charitable company limited by guarantee and established by Memorandum and Articles of Association dated 22 November 1988. It is governed by Directors who are also Trustees for the purpose of charity law. In the event of the charity being wound up, the liability of the members is limited to £1 each.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Birmingham Christian College for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Leroy Reid & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on 28th January 2022 and signed on the board's behalf by:



Dr L A E Donkor
Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRMINGHAM CHRISTIAN COLLEGE

Opinion

We have audited the financial statements of Birmingham Christian College (the 'charitable company') for the year ended 31st December 2020 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Annual report, other than the financial statements and our Report of the independent auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRMINGHAM CHRISTIAN COLLEGE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, 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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRMINGHAM CHRISTIAN COLLEGE

Our responsibilities for the audit of the financial statements

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

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

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRMINGHAM CHRISTIAN COLLEGE

Use of our report

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

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Ebenezer Okai FCCA; BSc (Senior Statutory Auditor)
for and on behalf of Leroy Reid & Co
Chartered Certified Accountants
and Statutory Auditors
299 Northborough Road
Norbury
London
SW16 4TR

31st January 2022

BIRMINGHAM CHRISTIAN COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	385	202,039	202,424	268,304
Charitable activities	3				
College operating activities		110,675	-	110,675	85,183
Other income		<u>13,291</u>	<u>-</u>	<u>13,291</u>	<u>12,631</u>
Total		124,351	202,039	326,390	366,118
EXPENDITURE ON					
Charitable activities	4				
College operating activities		<u>145,728</u>	<u>127,855</u>	<u>273,583</u>	<u>255,462</u>
NET INCOME/(EXPENDITURE)		(21,377)	74,184	52,807	110,656
Transfers between funds	14	<u>(250,151)</u>	<u>250,151</u>	<u>-</u>	<u>-</u>
Net movement in funds		(271,528)	324,335	52,807	110,656
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>366,407</u>	<u>852,888</u>	<u>1,219,295</u>	<u>1,108,639</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>94,879</u></u>	<u><u>1,177,223</u></u>	<u><u>1,272,102</u></u>	<u><u>1,219,295</u></u>

The notes form part of these financial statements

BIRMINGHAM CHRISTIAN COLLEGE

BALANCE SHEET
31ST DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	10	1,223,017	1,212,264
CURRENT ASSETS			
Debtors	11	43,140	13,462
Cash at bank		<u>32,822</u>	<u>7,206</u>
		75,962	20,668
CREDITORS			
Amounts falling due within one year	12	(26,877)	(13,637)
NET CURRENT ASSETS		<u>49,085</u>	<u>7,031</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,272,102</u>	<u>1,219,295</u>
NET ASSETS		<u>1,272,102</u>	<u>1,219,295</u>
FUNDS	14		
Unrestricted funds		94,879	366,407
Restricted funds		<u>1,177,223</u>	<u>852,888</u>
TOTAL FUNDS		<u>1,272,102</u>	<u>1,219,295</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28th January 2022 and were signed on its behalf by:



L A E Donkor
Trustee

The notes form part of these financial statements

BIRMINGHAM CHRISTIAN COLLEGE

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>70,810</u>	<u>82,723</u>
Net cash provided by operating activities		<u>70,810</u>	<u>82,723</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(45,194)</u>	<u>(87,788)</u>
Net cash used in investing activities		<u>(45,194)</u>	<u>(87,788)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		25,616	(5,065)
Cash and cash equivalents at the beginning of the reporting period		<u>7,206</u>	<u>12,271</u>
Cash and cash equivalents at the end of the reporting period		<u>32,822</u>	<u>7,206</u>

The notes form part of these financial statements

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the reporting period (as per the Statement of financial activities)	52,807	110,656
Adjustments for:		
Depreciation charges	34,441	31,402
Increase in debtors	(29,678)	(11,812)
Increase/(decrease) in creditors	<u>13,240</u>	<u>(47,523)</u>
Net cash provided by operations	<u><u>70,810</u></u>	<u><u>82,723</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank	<u>7,206</u>	<u>25,616</u>	<u>32,822</u>
	<u>7,206</u>	<u>25,616</u>	<u>32,822</u>
Total	<u><u>7,206</u></u>	<u><u>25,616</u></u>	<u><u>32,822</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

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

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

The Charity's policy is that individual fixed assets acquired costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Depreciation is provided at rates calculated to write off the cost less estimated residual value, over their expected useful lives.

Office equipment - Straight line over 4 years

Computers - Straight line over 5 years

Leasehold property - Straight line over the term of the lease

Leased equipment - Straight line over the term of the lease

TAXATION

As a Charity, Birmingham Christian College is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Small donations	385	134
Church of Pentecost - UK & EU	202,039	258,695
Donations from BCC offering	-	9,475
	<u>202,424</u>	<u>268,304</u>

3. INCOME FROM CHARITABLE ACTIVITIES

		2020	2019
	Activity	£	£
Academic income	College operating activities	62,400	35,290
Rental income	College operating activities	-	3,906
Students accommodation rent	College operating activities	<u>48,275</u>	<u>45,987</u>
		<u>110,675</u>	<u>85,183</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
College operating activities	<u>267,155</u>	<u>6,428</u>	<u>273,583</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Staff costs	67,972	67,447
Communication costs	25,776	11,874
Freelance lecturers	12,187	10,697
Accreditation fees	15,808	4,231
Library costs	-	1,770
Travel and conferences	2,615	5,666
Catering	4,137	13,968
Office costs	605	996
Website and computer costs	3,682	350
Repairs & maintenance	28,336	37,607
Council tax	20,546	20,205
Heat and light	16,102	16,205
Health and safety	7,256	3,757
Water charges	1,430	2,243
Subscription and licenses	666	555
Rent other and caretaking	300	300
Bank charges	312	477
Room hire	-	795
Insurance	10,737	8,637
Professional costs	8,130	4,941
Training and CPD	2,868	2,514
Advertising and marketing	<u>3,249</u>	<u>-</u>
Carried forward	232,714	215,235

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

5. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

	2020	2019
	£	£
Brought forward	232,714	215,235
Depreciation	<u>34,441</u>	<u>31,402</u>
	<u><u>267,155</u></u>	<u><u>246,637</u></u>

6. SUPPORT COSTS

	Governance costs
	£
College operating activities	<u><u>6,428</u></u>

Support costs, included in the above, are as follows:

	2020	2019
	College operating activities	Total activities
	£	£
Auditors' remuneration	3,000	3,000
Non-audit Examination	1,900	2,195
Trustees meeting expenses	-	414
Legal fees	<u>1,528</u>	<u>3,216</u>
	<u><u>6,428</u></u>	<u><u>8,825</u></u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	3,000	3,000
Depreciation - owned assets	<u>34,441</u>	<u>31,402</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	56,929	56,463
Social security costs	5,443	5,423
Other pension costs	<u>5,600</u>	<u>5,561</u>
	<u><u>67,972</u></u>	<u><u>67,447</u></u>

The average monthly number of employees during the year was as follows:

	2020	2019
Administration	1	1
Academic	<u>1</u>	<u>1</u>
	<u><u>2</u></u>	<u><u>2</u></u>

No employees received emoluments in excess of £60,000.

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Library cost £	Totals £
COST				
At 1st January 2020	1,580,207	62,065	-	1,642,272
Additions	<u>32,882</u>	<u>1,381</u>	<u>10,931</u>	<u>45,194</u>
At 31st December 2020	<u><u>1,613,089</u></u>	<u><u>63,446</u></u>	<u><u>10,931</u></u>	<u><u>1,687,466</u></u>
DEPRECIATION				
At 1st January 2020	409,956	20,052	-	430,008
Charge for year	<u>25,910</u>	<u>6,345</u>	<u>2,186</u>	<u>34,441</u>
At 31st December 2020	<u><u>435,866</u></u>	<u><u>26,397</u></u>	<u><u>2,186</u></u>	<u><u>464,449</u></u>
NET BOOK VALUE				
At 31st December 2020	<u><u>1,177,223</u></u>	<u><u>37,049</u></u>	<u><u>8,745</u></u>	<u><u>1,223,017</u></u>
At 31st December 2019	<u><u>1,170,251</u></u>	<u><u>42,013</u></u>	<u><u>-</u></u>	<u><u>1,212,264</u></u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	30,421	12,574
Other debtors	<u>12,719</u>	<u>888</u>
	<u><u>43,140</u></u>	<u><u>13,462</u></u>

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	6,933	4,153
Accruals and deferred income	<u>19,944</u>	<u>9,484</u>
	<u>26,877</u>	<u>13,637</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	2020 Total funds	2019 Total funds
	£	£	£	£
Fixed assets	63,649	1,159,368	1,223,017	1,212,264
Current assets	21,386	54,576	75,962	20,668
Current liabilities	<u>9,844</u>	<u>(36,721)</u>	<u>(26,877)</u>	<u>(13,637)</u>
	<u>94,879</u>	<u>1,177,223</u>	<u>1,272,102</u>	<u>1,219,295</u>

14. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	Transfers between funds	At 31.12.20
	£	£	£	£
Unrestricted funds				
General fund	366,407	(21,377)	(250,151)	94,879
Restricted funds				
College activities	852,888	74,184	250,151	1,177,223
	<u>1,219,295</u>	<u>52,807</u>	<u>-</u>	<u>1,272,102</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	124,351	(145,728)	(21,377)
Restricted funds			
College activities	202,039	(127,855)	74,184
	<u>326,390</u>	<u>(273,583)</u>	<u>52,807</u>

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	473,882	25,263	(132,738)	366,407
Restricted funds				
College activities	634,757	85,393	132,738	852,888
TOTAL FUNDS	<u>1,108,639</u>	<u>110,656</u>	<u>-</u>	<u>1,219,295</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	188,083	(162,820)	25,263
Restricted funds			
College activities	178,035	(92,642)	85,393
TOTAL FUNDS	<u>366,118</u>	<u>(255,462)</u>	<u>110,656</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	473,882	3,886	(382,889)	94,879
Restricted funds				
College activities	634,757	159,577	382,889	1,177,223
TOTAL FUNDS	<u>1,108,639</u>	<u>163,463</u>	<u>-</u>	<u>1,272,102</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	312,434	(308,548)	3,886
Restricted funds			
College activities	380,074	(220,497)	159,577
	<u>692,508</u>	<u>(529,045)</u>	<u>163,463</u>
TOTAL FUNDS	<u>692,508</u>	<u>(529,045)</u>	<u>163,463</u>

15. ULTIMATE PARENT COMPANY

On 5th August 2020 the merger of Birmingham Christian College (BCC) and The Church of Pentecost - UK (COP - UK) was completed. The Charity Commission has been involved in the whole process and granted permission. COP-UK UK became the sole member of BCC and by rights assumed full control. There was no transfer of funds to acquire control of BCC. The trustees believed that a closer legal partnership provided a security for the sponsorship received by the College.

A gain of £1.2m was recognised in the Consolidated accounts of the Parent charity (COP - UK) for the year ended 31 December 2020.

16. RELATED PARTY DISCLOSURES

No remuneration or expenses were paid to the trustees other than:

Lord Donkor £1,374 (2019 - £3,901) for overseas travel and events reimbursement.

Lord Donkor - £1,241 (2019 - £1,356) UK expenses reimbursement.

Joyce Donker - £2,010 (2019 - £500) for professional work.

The Church of Pentecost - UK made donations of £204,432 (2019 - £233,562) to the building refurbishment work being undertaken and other operational cost for the College.

17. RESTRICTED FUNDS

For the benefit of users of the accounts the restricted funds is equal to the net book value of the leasehold property and buildings as shown in note 10 of the financial statements.

BIRMINGHAM CHRISTIAN COLLEGE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Small donations	385	134
Church of Pentecost - UK & EU	202,039	258,695
Donations from BCC offering	<u>-</u>	<u>9,475</u>
	202,424	268,304
Charitable activities		
Academic income	62,400	35,290
Rental income	-	3,906
Students accommodation rent	<u>48,275</u>	<u>45,987</u>
	110,675	85,183
Other income		
Sundry income	<u>13,291</u>	<u>12,631</u>
Total incoming resources	326,390	366,118
EXPENDITURE		
Charitable activities		
Wages	56,929	56,463
Social security	5,443	5,423
Pensions	5,600	5,561
Communication costs	25,776	11,874
Freelance lecturers	12,187	10,697
Accreditation fees	15,808	4,231
Library costs	-	1,770
Travel and conferences	2,615	5,666
Catering	4,137	13,968
Office costs	605	996
Website and computer costs	3,682	350
Repairs & maintenance	28,336	37,607
Council tax	20,546	20,205
Heat and light	16,102	16,205
Health and safety	7,256	3,757
Water charges	1,430	2,243
Subscription and licenses	666	555
Rent other and caretaking	300	300
Bank charges	312	477
Room hire	-	795
Insurance	10,737	8,637
Professional costs	8,130	4,941
Training and CPD	2,868	2,514
Advertising and marketing	3,249	-
Carried forward	232,714	215,235

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BIRMINGHAM CHRISTIAN COLLEGE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020	2019
	£	£
Charitable activities		
Brought forward	232,714	215,235
Long leasehold	25,910	31,402
Plant and machinery	6,345	-
Computer equipment	<u>2,186</u>	<u>-</u>
	267,155	246,637
 Support costs		
Governance costs		
Auditors' remuneration	3,000	3,000
Non-audit Examination	1,900	2,195
Trustees meeting expenses	-	414
Legal fees	<u>1,528</u>	<u>3,216</u>
	<u>6,428</u>	<u>8,825</u>
 Total resources expended	<u>273,583</u>	<u>255,462</u>
 Net income	<u><u>52,807</u></u>	<u><u>110,656</u></u>

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