

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
BIRMINGHAM CHRISTIAN COLLEGE

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

BIRMINGHAM CHRISTIAN COLLEGE

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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BIRMINGHAM CHRISTIAN COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2021

| | |
|----------------------------------|--|
| 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 Reverend K J Frempong-Boadu (appointed 2.12.21) Rev E A Bekoe (appointed 2.12.21) |
| 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 |

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

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 2021. 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 with it 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. One hundred and seventy-four students were enrolled on Certificate in Christian Leadership and Ministry course while one hundred and twenty students completed the Introduction to Christian Counselling course. Apart from these seventy-four students enrolled on our BA programme at different levels.

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 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 for youth leaders. We also offered a space for a church to have bi-weekly meetings and services. Once the Chapel Block, which has a larger hall, is completed public interest in the site will grow and we are happy to serve our community.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

STRATEGIC REPORT

Achievement and performance

Charitable activities

Summary Overview

Despite the disruption of the pandemic on all institutions, BCC has recovered very quickly and recorded a massive growth in both revenue and academic activities. The final stage of renovation work at the college was recommenced after the disruption brought by the COVID-19 pandemic in 2020. Staff House 2 was fully completed and allocated to a senior staff who needed to stay on site to manage residents' needs, security, off hour enquiries and check-ins for accommodation. The six two-bedroom houses called Family Houses were renovated. By the end of December, ninety percent of the work had been completed. These houses will expand our accommodation capacity as we have already received enquiries of student families who want to rent them. Also, work on the Chapel Block (Crowther Hall) resumed and about twenty percent of work has been completed. When completed, this block will give us four good size lecture spaces that are convertible into a large conference hall on the first floor. There are also, two offices and toilet facilities on the first floor. On the ground floor we have a small size conference room, a library space, reception, comms room and toilet facilities. The reliable and substantial capital injection coming from the parent Charity, The Church of Pentecost-UK has enabled these projects to go on steadily.

In return for this support, the college has continued to provide training for both laity and clergy of the church. Two hundred and ninety-four (294) students being lay leaders of the church in different European countries were enrolled on our Certificate in Christian Ministry in 2021 and Introduction to Christian counselling. We also welcomed the second batch of first-year students to our Bachelor's degree in Applied Theology programme, validated by Newman University. Then we enrolled final year students who had previous learning credits to complete their Batchelors at BCC.

Apart from the Ministerial Students from The Church of Pentecost-UK, some of whom came from continental Europe, we enrolled other students from the UK and Ghana. Various intellectual and practical exercises, weekend placements in churches and lectures were used to prepare the students for full time Christian ministry as Overseers (pastors). At the end of this year most of the students on the Bachelor's programme completed their BA. Others completed the requirements for ministerial trainees for a Diploma in Higher Education in Theology. They are all serving the Lord and their communities in different parts of the UK and Europe. We have provided accommodation to our students and students from other institutions in Birmingham and rented a hall to a Presbyterian church.

Our first programme reviews with Newman University went very well and consequently, Newman University has validated our MA programme in Applied Theology with three tracks: Strategic Leadership in Christian Context, Pastoral Theology and Leadership and Pentecostal/Charismatic Missions. In another validation by the Accreditation Service for International Colleges (ASIC) BCC was adjudged as a premier college for the efficient manner in which we run the college and the excellent student experience we offer.

Achievement and Performance

BCC recruited a fulltime Business and Operations Director and a part-time lecturer. BCC continued the improvement and modernisation of the heating system, lighting 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 on the site. In 2021, Staff House 2 was fully completed and allocated to a senior staff who needed to stay on site to manage residents' needs, security, off hour enquiries and check-ins for accommodation. The six two-bedroom houses called Family Houses were renovated. By the end of December, ninety percent of the work had been completed. These houses will expand our accommodation capacity as we have already received enquiries of student families who want to rent them. Also, work on the Chapel Block (Crowther Hall) resumed and about twenty percent of work has been completed. When completed, this block will give us four good size lecture spaces that are convertible into a large conference hall on the first floor. There are also, two offices and toilet facilities on the first floor. On the ground floor we have a small size conference room, a library space, reception, comms room and toilet facilities.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

University Validation

In addition to the BA programmes validated by Newman University in 2020, BCC has again been successful in the validation an MA programme by Newman University. This validation will now enable BCC to offer both undergraduate and postgraduate degree courses in Christian leadership training in a wide range of ministry opportunities in the church and marketplace. These courses 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. The strategic leadership track of the programme has been highly commended by many church leaders and professionals in the field of Christian ministry.

Merger and amendment of A& M

The merger arrangement, by which BCC became a subsidiary of CoP-UK, a process completed in 2020 with the involvement of the Charity Commission is working very well as the church can continue to sponsor the college fully. A secure funding for BCC benefits the public as BCC will be able to continue to offer our valued services.

Impact of Covid-19

The outbreak and subsequent repetitions of the pandemic and various lockdowns disrupted our academic activities. However, we moved all our teaching and tutorials online while our administrative staff and fulltime faculty worked on site when it was possible to do so. Our visiting lecturers have been very supportive of the new arrangements in ways that ensured that our students did not lose anything apart from perhaps, the physical contact with lecturers and themselves. We undertook risk assessments for our return to campus and have since moved all senior management staff back to working at college premises at Crowther Hall. However, since we are still able to offer training online to our clients and students, we are confident that the worse is behind us and BCC will remain a viable charity to serve the public in the Midlands. The validation of our course by a university increases our reputation to offer training to the public.

Financial review

Financial position

The financial statements have been drawn up in accordance with the Companies Act 2006, the Charities Act 2011; the trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" updates in 2015 in preparing the annual report and financial statements of the charity.

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.

The Charity is operating from their current location under a 99 year lease which commenced on 24/6/1968 and expires on 23/6/2067. As for recent years overall surpluses have been invested in the long-term refurbishment of the provision of the college. The net book value under the leasehold provision now stands at £1,379,701 and there is 46 years remaining to the end of the lease term.

The additional expenditure is mainly further uncapitalised maintenance costs 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.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

STRATEGIC REPORT

Financial review

Going concern

The directors consider 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 right level of insurance is always used to mitigate some of the risk when applicable. 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 as its subsidiary, 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. Also, part of the training budget of the church was given towards the operations of BCC. The church also gives full fees bursaries for lay-leaders to train at BCC and made available three additional members of staff on secondment 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.

Future plans

The partnership between BCC and CoP-UK enabled the college to continue running training courses for CoP ministers throughout the 2020/21 academic year with a number of CoP trainee ministers receiving their training at BCC. The resumption of activities after COVID lockdowns made the campus very active, particularly, in the second half of the year. We are going to continue with the delivery of training as usual but now at undergraduate and postgraduate degree levels. This is enhancing our prospects for more clients and individuals coming to us for training. We will invest more in our professional counselling courses which will start fully in the next year.

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 Service 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. By the end of 2021 students from Germany, Italy, Spain, Sweden, France, Turkey, Iraq, United Arab Emirates, Poland, Portugal and Ukraine, Ghana and Bahrain have been studying at BCC.

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.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Directors/Trustees who served during the year were as follows:

Osei Owusu Afriyie (Chairman)

Lord Elorm Donkor (Secretary)

Kwaku Joe Adomako

Kwabena Agyapong Koduah

Winifred Agyemang

Francis Owusu Kwaah

Eric Kwabena Nyameke

Kwaku Junior Frempong-Boadu

Emmanuel Agyemang Bekoe

The trustees were recruited in recognition of the current needs of the Board and of the skills and experience of the prospective appointee. There is a process for the appointment of new members that includes a review of prospective trustees by Board members. Training for new trustees is arranged according to individual circumstances and with recognition of previous experience in working with charities and charitable companies. Mainly, the trustees are drawn from a pool of leaders from our partner church, The Church of Pentecost and some individuals who have the necessary skills-set, knowledge and experience.

Organisational structure

The Board of Trustees is in overall charge of the charity. Day to day management of operational activities is managed by the Principal, Dr Lord Elorm Donkor, who is also the secretary of the Board of Trustees and a team of senior management staff. The board has worked conscientiously to ensure that BCC and CoP-UK benefits mutually from the activities at BCC and these two charities' objectives are met in the process.

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.

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.

BIRMINGHAM CHRISTIAN COLLEGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on ~~30th JUNE 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 2021 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 2021 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.

E Okai

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

Date: *07/07/2022*

BIRMINGHAM CHRISTIAN COLLEGE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

| | Notes | Unrestricted fund £ | Restricted fund £ | 2021 Total funds £ | 2020 Total funds £ |
|------------------------------------|-------|---------------------------|-------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 5,780 | 271,889 | 277,669 | 202,424 |
| Charitable activities | 3 | | | | |
| College operating activities | | 332,331 | - | 332,331 | 110,675 |
| Other income | | 5,005 | - | 5,005 | 13,291 |
| Total | | <u>343,116</u> | <u>271,889</u> | <u>615,005</u> | <u>326,390</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | 4 | | | | |
| College operating activities | | 318,483 | 76,420 | 394,903 | 273,583 |
| NET INCOME | | <u>24,633</u> | <u>195,469</u> | <u>220,102</u> | <u>52,807</u> |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 94,879 | 1,177,223 | 1,272,102 | 1,219,295 |
| TOTAL FUNDS CARRIED FORWARD | | <u>119,512</u> | <u>1,372,692</u> | <u>1,492,204</u> | <u>1,272,102</u> |

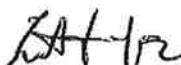
The notes form part of these financial statements

BIRMINGHAM CHRISTIAN COLLEGE

**BALANCE SHEET
31ST DECEMBER 2021**

| | Notes | 2021 £ | 2020 £ |
|--|-------|-----------|-----------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | 1,379,701 | 1,223,017 |
| CURRENT ASSETS | | | |
| Debtors | 11 | 122,501 | 43,140 |
| Cash at bank | | 31,368 | 32,822 |
| | | 153,869 | 75,962 |
| CREDITORS | | | |
| Amounts falling due within one year | 12 | (41,366) | (26,877) |
| NET CURRENT ASSETS | | 112,503 | 49,085 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,492,204 | 1,272,102 |
| NET ASSETS | | 1,492,204 | 1,272,102 |
| FUNDS | 14 | | |
| Unrestricted funds | | 119,512 | 94,879 |
| Restricted funds | | 1,372,692 | 1,177,223 |
| TOTAL FUNDS | | 1,492,204 | 1,272,102 |

The financial statements were approved by the Board of Trustees and authorised for issue on 30th June 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 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|-----------|-----------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 194,015 | 70,810 |
| Net cash provided by operating activities | | 194,015 | 70,810 |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (195,469) | (45,194) |
| Net cash used in investing activities | | (195,469) | (45,194) |
| Change in cash and cash equivalents in the reporting period | | (1,454) | 25,616 |
| Cash and cash equivalents at the beginning of the reporting period | | 32,822 | 7,206 |
| Cash and cash equivalents at the end of the reporting period | | 31,368 | 32,822 |

The notes form part of these financial statements

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

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

| | 2021 | 2020 |
|---|----------------|---------------|
| | £ | £ |
| Net income for the reporting period (as per the Statement of financial activities) | 220,102 | 52,807 |
| Adjustments for: | | |
| Depreciation charges | 38,785 | 34,441 |
| Increase in debtors | (79,361) | (29,678) |
| Increase in creditors | 14,489 | 13,240 |
| Net cash provided by operations | 194,015 | 70,810 |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.1.21 | Cash flow | At 31.12.21 |
|-----------------|------------------|------------------|--------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank | 32,822 | (1,454) | 31,368 |
| | <hr/> | <hr/> | <hr/> |
| | 32,822 | (1,454) | 31,368 |
| Total | 32,822 | (1,454) | 31,368 |
| | <hr/> | <hr/> | <hr/> |

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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 (99 years)

Leased equipment - Straight line over the term of the lease (99 years)

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 2021

2. DONATIONS AND LEGACIES

| | 2021 | 2020 |
|-------------------------------|-------------|-------------|
| | £ | £ |
| Small donations | 180 | 385 |
| Church of Pentecost - UK & EU | 277,489 | 202,039 |
| | <hr/> | <hr/> |
| | 277,669 | 202,424 |
| | <hr/> | <hr/> |

3. INCOME FROM CHARITABLE ACTIVITIES

| | 2021 | 2020 |
|-----------------------------|------------------------------|-------------|
| | £ | £ |
| Academic income | College operating activities | 237,035 |
| Rental income | College operating activities | 6,185 |
| Students accommodation rent | College operating activities | 89,111 |
| | <hr/> | <hr/> |
| | 332,331 | 110,675 |
| | <hr/> | <hr/> |

4. CHARITABLE ACTIVITIES COSTS

| | Direct Costs (see note 5) | Support costs (see note 6) | Totals |
|------------------------------|----------------------------------|-----------------------------------|---------------|
| | £ | £ | £ |
| College operating activities | 388,560 | 6,343 | 394,903 |
| | <hr/> | <hr/> | <hr/> |

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

| | 2021 | 2020 |
|---|-------------|-------------|
| | £ | £ |
| Staff costs | 85,680 | 67,972 |
| Communication costs | 23,551 | 25,776 |
| Freelance lecturers | 18,575 | 12,187 |
| Accreditation and course development fees | 22,765 | 15,808 |
| Library costs | 8,593 | - |
| Travel and conferences | 1,054 | 2,615 |
| Catering | 238 | 4,137 |
| Office costs | 4,724 | 605 |
| Website and computer costs | 718 | 3,682 |
| Repairs & maintenance | 80,489 | 28,336 |
| Council tax | 38,526 | 20,546 |
| Heat and light | 19,743 | 16,102 |
| Health and safety | 9,300 | 7,256 |
| Water charges | 2,458 | 1,430 |
| Subscription and licenses | 864 | 666 |
| Rent other and caretaking | 250 | 300 |
| Bank charges | 761 | 312 |
| Insurance | 14,238 | 10,737 |
| Professional costs | 1,541 | 8,130 |
| Training and CPD | 2,975 | 2,868 |
| Advertising and marketing | 9,232 | 3,249 |
| Student bursaries | 3,500 | - |
| Depreciation | 38,785 | 34,441 |
| | <hr/> | <hr/> |
| | 388,560 | 267,155 |
| | <hr/> | <hr/> |

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

6. SUPPORT COSTS

| | Governance costs £ | 6,343 |
|------------------------------|--------------------------|-------|
| College operating activities | | |

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

| | 2021 College operating activities £ | 2020 Total activities £ |
|------------------------|---|----------------------------------|
| Auditors' remuneration | 3,600 | 3,000 |
| Non-audit Examination | 1,900 | 1,900 |
| Legal fees | 843 | 1,528 |
| | <hr/> | <hr/> |
| | 6,343 | 6,428 |
| | <hr/> | <hr/> |

7. NET INCOME/(EXPENDITURE)

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

| | 2021 £ | 2020 £ |
|-----------------------------|-----------|-----------|
| Auditors' remuneration | 3,600 | 3,000 |
| Depreciation - owned assets | 38,785 | 34,441 |
| | <hr/> | <hr/> |

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

9. STAFF COSTS

| | 2021 £ | 2020 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 74,661 | 56,929 |
| Social security costs | 5,419 | 5,443 |
| Other pension costs | 5,600 | 5,600 |
| | <hr/> | <hr/> |
| | 85,680 | 67,972 |
| | <hr/> | <hr/> |

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

| | 2021 | 2020 |
|----------------|-------|-------|
| Administration | 2 | 1 |
| Academic | 3 | 1 |
| | <hr/> | <hr/> |
| | 5 | 2 |
| | <hr/> | <hr/> |

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

9. STAFF COSTS - continued

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

The Principal of the College Dr L Donkor was seconded from COP -UK. All salary cost is recognised in the accounts of the Parent company. The total employment cost including pension was £37,669 (2020 - £39,384).

10. TANGIBLE FIXED ASSETS

| | Long leasehold £ | Plant and machinery £ | Computer equipment £ | Totals £ |
|-----------------------|------------------|-----------------------|----------------------|------------------|
| COST | | | | |
| At 1st January 2021 | 1,613,089 | 63,446 | 10,931 | 1,687,466 |
| Additions | 195,469 | - | - | 195,469 |
| At 31st December 2021 | <u>1,808,558</u> | <u>63,446</u> | <u>10,931</u> | <u>1,882,935</u> |
| DEPRECIATION | | | | |
| At 1st January 2021 | 435,866 | 26,397 | 2,186 | 464,449 |
| Charge for year | 30,254 | 6,345 | 2,186 | 38,785 |
| At 31st December 2021 | <u>466,120</u> | <u>32,742</u> | <u>4,372</u> | <u>503,234</u> |
| NET BOOK VALUE | | | | |
| At 31st December 2021 | <u>1,342,438</u> | <u>30,704</u> | <u>6,559</u> | <u>1,379,701</u> |
| At 31st December 2020 | <u>1,177,223</u> | <u>37,049</u> | <u>8,745</u> | <u>1,223,017</u> |

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|---------------|----------------|---------------|
| Trade debtors | 122,501 | 30,421 |
| Other debtors | - | 12,719 |
| | <u>122,501</u> | <u>43,140</u> |

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------------------|---------------|---------------|
| Trade creditors | 12,878 | 6,933 |
| Accruals and deferred income | 28,488 | 19,944 |
| | <u>41,366</u> | <u>26,877</u> |

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted fund | Restricted fund | 2021 Total funds | 2020 Total funds |
|---------------------|-------------------|-----------------|------------------|------------------|
| | £ | £ | £ | £ |
| Fixed assets | 24,864 | 1,354,837 | 1,379,701 | 1,223,017 |
| Current assets | 99,293 | 54,576 | 153,869 | 75,962 |
| Current liabilities | (4,645) | (36,721) | (41,366) | (26,877) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 119,512 | 1,372,692 | 1,492,204 | 1,272,102 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

14. MOVEMENT IN FUNDS

| | At 1.1.21 | Net movement in funds | At 31.12.21 |
|---------------------------|-----------|-----------------------|-------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 94,879 | 24,633 | 119,512 |
| Restricted funds | | | |
| College activities | 1,177,223 | 195,469 | 1,372,692 |
| TOTAL FUNDS | <hr/> | <hr/> | <hr/> |
| | 1,272,102 | 220,102 | 1,492,204 |
| | <hr/> | <hr/> | <hr/> |

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

| | Incoming resources | Resources expended | Movement in funds |
|---------------------------|--------------------|--------------------|-------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 343,116 | (318,483) | 24,633 |
| Restricted funds | | | |
| College activities | 271,889 | (76,420) | 195,469 |
| TOTAL FUNDS | <hr/> | <hr/> | <hr/> |
| | 615,005 | (394,903) | 220,102 |
| | <hr/> | <hr/> | <hr/> |

Comparatives for 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 |
| TOTAL FUNDS | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,219,295 | 52,807 | - | 1,272,102 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

14. MOVEMENT IN FUNDS - continued

Comparative 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 |
| TOTAL FUNDS | <u>326,390</u> | <u>(273,583)</u> | <u>52,807</u> |

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

| | At 1.1.20 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.21 £ |
|---------------------------|------------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General fund | 366,407 | 3,256 | (250,151) | 119,512 |
| Restricted funds | | | | |
| College activities | 852,888 | 269,653 | 250,151 | 1,372,692 |
| TOTAL FUNDS | <u>1,219,295</u> | <u>272,909</u> | <u>-</u> | <u>1,492,204</u> |

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 | 467,467 | (464,211) | 3,256 |
| Restricted funds | | | |
| College activities | 473,928 | (204,275) | 269,653 |
| TOTAL FUNDS | <u>941,395</u> | <u>(668,486)</u> | <u>272,909</u> |

BIRMINGHAM CHRISTIAN COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

15. ULTIMATE PARENT COMPANY

The Church of Pentecost - UK is the parent company of Birmingham Christian College (BCC). The formal process was completed on 5th August 2020. 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.

16. RELATED PARTY DISCLOSURES

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

Dr Lord Donkor £339 (2020 - £1,374) for overseas travel and events reimbursement.

Dr Lord Donkor - £715 (2020 - £1,241) UK expenses reimbursement.

Joyce Donkor - £490 (2020 - £2,010) for professional work.

Dr L Donkor's salary is paid by the Parent company and is not recognised in the accounts of the College. For more details refer to note 9.

The Parent company contributes £40,020 towards the salary cost of Rev. Caleb Nyanni the Academic Dean.

The Church of Pentecost - UK made donations of £277,489 (2020 - £202,039) 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 2021

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Small donations | 180 | 385 |
| Church of Pentecost - UK & EU | 277,489 | 202,039 |
| | <hr/> | <hr/> |
| | 277,669 | 202,424 |
| Charitable activities | | |
| Academic income | 237,035 | 62,400 |
| Rental income | 6,185 | - |
| Students accommodation rent | 89,111 | 48,275 |
| | <hr/> | <hr/> |
| | 332,331 | 110,675 |
| Other income | | |
| Sundry income | 5,005 | 13,291 |
| | <hr/> | <hr/> |
| Total incoming resources | 615,005 | 326,390 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 74,661 | 56,929 |
| Social security | 5,419 | 5,443 |
| Pensions | 5,600 | 5,600 |
| Communication costs | 23,551 | 25,776 |
| Freelance lecturers | 18,575 | 12,187 |
| Accreditation and course development fees | 22,765 | 15,808 |
| Library costs | 8,593 | - |
| Travel and conferences | 1,054 | 2,615 |
| Catering | 238 | 4,137 |
| Office costs | 4,724 | 605 |
| Website and computer costs | 718 | 3,682 |
| Repairs & maintenance | 80,489 | 28,336 |
| Council tax | 38,526 | 20,546 |
| Heat and light | 19,743 | 16,102 |
| Health and safety | 9,300 | 7,256 |
| Water charges | 2,458 | 1,430 |
| Subscription and licenses | 864 | 666 |
| Rent other and caretaking | 250 | 300 |
| Bank charges | 761 | 312 |
| Insurance | 14,238 | 10,737 |
| Professional costs | 1,541 | 8,130 |
| Training and CPD | 2,975 | 2,868 |
| Advertising and marketing | 9,232 | 3,249 |
| Student bursaries | 3,500 | - |
| Long leasehold | 30,254 | 25,910 |
| Plant and machinery | 6,345 | 6,345 |
| Carried forward | 386,374 | 264,969 |

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BIRMINGHAM CHRISTIAN COLLEGE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

| | 2021 | 2020 |
|---------------------------------|-------------|-------------|
| | £ | £ |
| Charitable activities | | |
| Brought forward | 386,374 | 264,969 |
| Computer equipment | 2,186 | 2,186 |
| | <hr/> | <hr/> |
| | 388,560 | 267,155 |
| Support costs | | |
| Governance costs | | |
| Auditors' remuneration | 3,600 | 3,000 |
| Non-audit Examination | 1,900 | 1,900 |
| Legal fees | 843 | 1,528 |
| | <hr/> | <hr/> |
| | 6,343 | 6,428 |
| Total resources expended | <hr/> | <hr/> |
| | 394,903 | 273,583 |
| Net income | <hr/> | <hr/> |
| | 220,102 | 52,807 |
| | <hr/> | <hr/> |

This page does not form part of the statutory financial statements