

COMPANY REGISTRATION NUMBER: SC535661
CHARITY REGISTRATION NUMBER: SC016819

Scottish Baptist College
Company Limited by Guarantee
Unaudited Financial Statements
31 May 2025

NELSON GILMOUR SMITH

Chartered accountants
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

Scottish Baptist College

Company Limited by Guarantee

Financial Statements

Year ended 31 May 2025

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Scottish Baptist College

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 May 2025

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 May 2025.

Reference and administrative details

Registered charity name	Scottish Baptist College
Charity registration number	SC016819
Company registration number	SC535661
Principal office and registered office	University of the West of Scotland Henry Building East E303 Paisley Renfrewshire PA1 2BE Scotland

The trustees

Rev. Dr. I. J. Birch – Principal	
Dr. J. R. S. McDowell – Chair	
Mr. N. J. Robinson – Treasurer	(Retired 10 March 2025)
Mr. O. Spence – Treasurer	(Appointed 10 March 2025)
Dr. D. J. Finch	(Retired 10 March 2025)
Rev. D. P. Fraser	
Rev. Dr. M. S. Hodson	
Rev A. M. Oellerman	(Appointed 9 September 2024)
C. Maasz	
Dr. D. Rance	
Rev. C. L. Townsend	

Company secretary Rev. Dr. I. J. Birch

Independent examiner Andrew B Wilson CA
Mercantile Chambers
53 Bothwell Street
Glasgow
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Structure, governance and management

Scottish Baptist College is a company limited by guarantee. Its members consist of any church in membership of the Baptist Union of Scotland. The members elect/re-elect the board of charity trustees at the AGM.

Scottish Baptist College

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2025

Structure, governance and management *(continued)*

Relationships

The College is an affiliated member of the Baptist Union of Scotland and of the Baptist Union of Great Britain, and co-operates in the work of the other Baptist Colleges in the United Kingdom. The College maintains a close academic relationship with the University of the West of Scotland, which validates the work of the College in relation to academic awards.

Objectives and activities

The College's objects ("the objects") are to provide education and training, mainly but not exclusively, for the Baptist Ministry and Christian service. Any profits shall be used to further the objects of the company and not be paid to the members as dividends.

The College seeks to service the churches of the Baptist Unions by training which combines academic excellence, practical skills and spiritual formation. In pursuance of the objects the College has the following powers:-

- to provide education and training, mainly but not exclusively, for Baptist Ministry and other forms of Christian service through a validated Higher Education academic programmes and non-validated programmes.
- to work in collaboration with the University of the West of Scotland or any other appointed body to ensure the quality and relevance of academic programmes is enhanced and kept current with developments in the Higher Education sector.
- to work in partnership with constituent members and other churches through student placement, summer pastoral support, preaching and other forms of work based and work related learning.
- to provide specific forms of training for ministerial candidates as recommended or required by the Board of Ministry of the Baptist Union of Scotland.
- to review and develop the content of training in consultation with and in response to the ministry requirements of the Baptist Union of Scotland.
- to provide guidance and supervision of the learning aspects of the Accreditation Process required of all candidates aiming at accredited status within the Baptist Union of Scotland.

Scottish Baptist College

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2025

Achievements and performance

Activities and achievements

The Scottish Baptist College continues its educational activity to enable and resource training for ministry and mission principally among the Baptist Churches of Scotland, and wider afield, but not exclusively so. In the past year the College had a total of 38 registered students comprised of 14 full-time students studying for the Bachelor of Divinity degree, 9 part-time degree students, and 15 modular students. These numbers equated to 20.8 full time equivalent. Four students were enrolled on the Youth and Community track.

At the completion of the academic year 24/25, two students graduated from the College/University with First Class Honours, and one graduated BD. The relatively low number of students graduating at honours level reflects an increasing trend in the HE sector for students to terminate their studies before the honours level, the primary reason being access to the workplace, and the desire to enter paid employment.

Some Baptist ministerial students choose to exit the programme at Diploma level (level 8) as a consequence of the vocational requirement for ministry in the Baptist Union of Scotland being set at this standard, while a small number which a greater sense of personal ambition leave after completing the ordinary degree.

Student vocational destinations continue to increase in variety and include school teaching, detached youth and community work, health-care chaplaincy, university chaplaincy, prison chaplaincy, as well as church ministry in a variety of denominations. The Baptist College provides support for students pursuing different vocational tracks, providing specialist support where necessary for students with particular needs.

Throughout the academic year 24/25 the College continued to offer modules on a flexible basis of on-campus, in-person mode of delivery on Tuesday, Wednesday and Thursday morning, with the same class content available online, in synchronous teaching mode as evening classes. It is also possible for students to join the in-personal class via Zoom in a hybrid format of learning. Although hybrid teaching is demanding for teachers, as the one class requires two pedagogical approaches to be employed simultaneously, it is popular with students on account of access to the course, and from the college's perspective makes courses financially viable that might otherwise be questionable.

The growing number of students opting for the online evening classes is an increasing trend and may indicate the dominant mode of delivery in forthcoming years. Students are requesting greatly flexibility in their pattern of study which enables them to undertake paid employment alongside college work, while some have family commitments which makes flexible learning the only means of coping with demands.

This has represented not only a change in mode of teaching for the Baptist College but also a change of teaching philosophy, switching from a commitment to face-to-face, in person classes to remote, distance, online contact. In a phase of history when the numbers of theological students in the UK is diminishing and competition between educational providers increasing, the financial stability of the institution will require an adaptable approach to the provision of education and training.

In the past year the College principal has met with theological educators from other institutions, especially from the University of Glasgow, to discuss collaborations and other means of mutual support, and this will require further exploration in the years ahead.

Scottish Baptist College

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2025

Developments

In last year's report it was stated that in the face of declining numbers of undergraduate students in the subject of theology the viability of the college could be jeopardised if no action were taken. The response of the college governors was to approve a plan put forward by the staff to create a master's level course in theology which would be attractive to church ministers and those engaged in Christian based charity work, looking to develop knowledge and skills for CPD. In the summer of 2025, the college recruited an additional member of staff, Dr Alistair Cuthbert to lead the development of a Master of Theology in Christian Mission and Ministry, which is now well under way. This process is being supported by staff from the University of the West of Scotland, who will validate the programme, enabling the college to begin advertising and recruiting to the course in the early part of 2026. It is anticipated that with a successful validation the first students will begin the programme in either September 2026 or January 2027.

The stream through the BD programme for those students wishing to specialise in Youth and Community work continues to develop as the first cohort progress to third year. Paul Wilson, an addition to the pool of Associate Lecturers at the college this year, will deliver a new module for the Youth and Community programme entitled 'Worldviews, Cultures, and Christian Faith'. Recruitment to the Youth and Community stream continues to build slowly, with total numbers currently being: 6.

Relationships

The College continues to maintain good relationships with its primary vocational and validating partners. These are the University of the West of Scotland, with whom the principal has regular meetings to ensure compliance with the Collaborative Agreement, and discuss potential developments in the working relationship. In the past year the college has been subject to a five yearly Due Diligence review by the University and received a positive affirmative response. The next review is due in 2030.

The principal is an active member of the UWS School of Education and Social Science for purposes of oversight and reporting. Dr Meiklejohn is a member of the School of Life Sciences Animal Welfare Ethics Committee.

The other primary partner of the College is the Baptist Union of Scotland, and the College benchmarks its degree programme to the current needs of the Baptist Union Board of Ministry which accredits Scottish Baptist ministers and chaplains. The principal is an ex officio member of the BUS Board of Ministry and BUS Council, providing regular reports to the latter and participating in the meetings.

College staff participate in the life of the Baptist Union through various speaking engagements and teaching opportunities in churches and ad hoc gatherings. The College continues to be in active conversation with the Baptist Union of Scotland to ensure the suitability of its courses for the requirements of churches in the future.

The College also fosters relationships with the wider Baptist networks. It is a member of the Consortium of European Baptist Theological Schools. The principal is actively involved in the Scottish Baptist History Project and ICOBS.

Staff

Throughout 24/25 the College had two full time lecturers (Dr Ian Birch and Dr Graham Meiklejohn), and four module-based lecturers (Dr Paul Beautyman, Dr Alasdair Black, Dr Alistair Cuthbert, and Dr Steve Younger). Dr Younger also functions as college chaplain. In addition, the college employs a bursar/administrator, Mrs Ellie Bell, and an administration support. Dr Graham Meiklejohn has a leading role as the assistant chair in BIAPT (The British and Irish Association for Practical Theology), and in the past year has been the guest editor of Practical Theology, a peer reviewed and leading

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Year ended 31 May 2025

journal in his field of research.

In the past year Dr Ian Birch has published work on theological education and students with complex needs. This was a reflection on the experience of the college in recent years, and the operation of our policy of widening access for mature students, which brings students into the orbit of higher education with little or no academic background.

Financial review

The Statement of Financial Activities for the year reveals a deficit of £39,905 (2024: deficit £61,111) before gains and losses on investments. Realised gains on sale of investments during the year amounted to £249 (2024: gain of £421) and the surplus on revaluation of the investment portfolio to reflect market value at the year end date was £7,344 (2024: surplus £19,604). The total funds in the control of the College are £328,448.

The College gratefully acknowledges all contributions from Churches and individuals, which are essential to sustaining the activities of the College, and the continued support of the University of the West of Scotland to the running of the College.

The financial resources at the year end were considered sufficient to cover all the approved activities of the College.

Investment policy

The investment objective for the College is to maintain and enhance the long term capital value of the fund in real terms whilst generating sufficient income to allow the College to carry out its charitable objectives. Investments are to be well diversified and must satisfy the conditions of the Charities and Trustee Investment (Scotland) Act 2005 and relevant statutory instruments. Aside from the amounts held in cash to meet operating requirements and invested in domestic properties, the funds of the College are managed by a professional fund manager. Consideration is given to the environmental consciousness and social responsibility of all companies where investments are made. Further to this, specific investment restrictions have been agreed upon and instructed to the investment manager. Direct investment is therefore prohibited in any company where the participation in armaments, tobacco, alcoholic beverages, pornography or gambling activities contributes above 10% to total turnover, as well as companies involved in animal testing for non-medical purposes (unless required to by regulations).

Risk policy

The Trustees review the risks facing the College on a regular basis through a structured risk assessment. It is believed that the College should always be able to complete the teaching of a student enrolled on a four year honours degree course. Steps are taken within the structure of College committees to ensure that the future work of the College is not compromised by short term considerations concerning academic or financial matters. Present arrangements within the College are such as would highlight any other major risk.

Reserves policy

The College has a policy whereby the unrestricted funds not required for working capital or committed to investment in fixed assets, are available for general investment. The Trustees confirm that the financial reserves should normally allow the completion of the training and education of its current students.

Scottish Baptist College

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2025

Plans for future periods

The college continues its work to establish and build the new specialism (Youth and Community Studies) into the BD programme and will deliver the next component of the course in the second term 2025/26.

The college is discussing with a number of specialists the possibility of developing a pre-degree course of study for students wishing to begin theological studies but lacking the normal entrance requirements. There are an increasing number of enquiries from such potential students, and a defined and appropriately structured pathway into the degree course, is recognised as pedagogically advantageous and commercially beneficial to the college.

The college continues to explore further opportunities for flexible training to make theological education and preparation for various forms of Christian ministry more widely available to all within our constituency.

The college continues to build relationships with non-Baptist Christian denominations and is in conversation with para-church organisations based in Scotland with a view to training volunteers by means of validated modules as well as bespoke non-validated courses.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 12/1/26 and signed on behalf of the board of trustees by:



Rev. Dr. I. J. Birch - Principal
Trustee

Scottish Baptist College

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Scottish Baptist College

Year ended 31 May 2025

I report on the financial statements for the year ended 31 May 2025, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations
- have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Andrew B Wilson CA
Independent Examiner

Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

10/02/26

Scottish Baptist College

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 May 2025

		2025			2024
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	5	64,448	–	–	64,448
Charitable activities	6	84,645	–	–	84,645
Other trading activities	7	226	–	–	226
Investment income	8	6,070	1,610	684	8,364
Total income		<u>155,389</u>	<u>1,610</u>	<u>684</u>	<u>157,683</u>
Expenditure					
Expenditure on raising funds:					
Investment management costs	9	(2,520)	–	–	(2,520)
Expenditure on charitable activities	10,11	(195,068)	–	–	(195,068)
Total expenditure		<u>(197,588)</u>	<u>–</u>	<u>–</u>	<u>(197,588)</u>
Net gains on investments	13	5,769	924	900	7,593
Net expenditure		<u>(36,430)</u>	<u>2,534</u>	<u>1,584</u>	<u>(32,312)</u>
Transfers between funds		2,294	(1,610)	(684)	–
Net movement in funds		<u>(34,136)</u>	<u>924</u>	<u>900</u>	<u>(32,312)</u>
Reconciliation of funds					
Total funds brought forward		213,205	91,245	56,310	360,760
Total funds carried forward		<u>179,069</u>	<u>92,169</u>	<u>57,210</u>	<u>360,760</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 25 form part of these financial statements.

Scottish Baptist College

Company Limited by Guarantee

Statement of Financial Position

31 May 2025

	Note	2025 £	£	2024 £
Fixed assets				
Tangible fixed assets	19		921	558
Investments	20		<u>287,975</u>	<u>295,037</u>
			288,896	295,595
Current assets				
Debtors	21	3,837		7,760
Cash at bank and in hand		<u>43,703</u>		<u>60,897</u>
		47,540		68,657
Creditors: amounts falling due within one year	22	<u>7,988</u>		<u>3,492</u>
Net current assets			39,552	65,165
Total assets less current liabilities			328,448	360,760
Net assets			328,448	<u>360,760</u>
Funds of the charity				
Endowment funds			57,210	56,310
Restricted funds			<u>92,169</u>	91,245
Unrestricted funds			<u>179,069</u>	<u>213,205</u>
Total charity funds	24		328,448	<u>360,760</u>

For the year ending 31 May 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 11 to 25 form part of these financial statements.

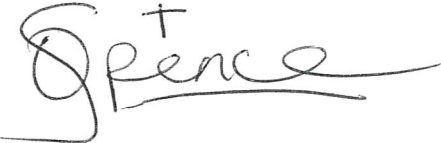
Scottish Baptist College

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 May 2025

These financial statements were approved by the board of trustees and authorised for issue on 08/02/26, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'Spence' with a small '+' symbol above the 'e'. The signature is written in a cursive style with a long horizontal flourish at the end.

O. Spence - Treasurer
Trustee

The notes on pages 11 to 25 form part of these financial statements.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 May 2025

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is University of the West of Scotland, Henry Building East, E303, Paisley, Renfrewshire, PA1 2BE, Scotland.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Scottish Baptist College

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Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Defined benefit plans

Information about pension costs and the scheme in which the College participates is given in Note 22.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 May 2025

4. Limited by guarantee

The Company is Limited by Guarantee and, as such, on winding up each member's liability is restricted to £1.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Donations				
Subscriptions and Donations - Churches	31,724	31,724	34,059	34,059
Donations Individuals	19,758	19,758	43,654	43,654
Legacies				
Legacies	12,966	12,966	—	—
	<u>64,448</u>	<u>64,448</u>	<u>77,713</u>	<u>77,713</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
College Fees	84,645	84,645	83,795	83,795

7. Other trading activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Fundraising events	226	226	—	—

8. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2025 £
Income from listed investments	6,070	1,610	684	8,364

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £
Income from listed investments	7,302	875	1,249	9,426

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 May 2025

9. Investment management costs

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Portfolio management	2,520	2,520	2,447	2,447

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Bible College	192,188	192,188	226,958	226,958
Support costs	2,880	2,880	2,640	2,640
	<u>195,068</u>	<u>195,068</u>	<u>229,598</u>	<u>229,598</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2025 £	Total fund 2024 £
Bible College	192,188	–	192,188	226,958
Governance costs	–	2,880	2,880	2,640
	<u>192,188</u>	<u>2,880</u>	<u>195,068</u>	<u>229,598</u>

12. Analysis of grants

	2025 £	2024 £
Grants to individuals		
Student support	–	1,500
Total grants	<u>–</u>	<u>1,500</u>

13. Net gains on investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2025 £
Gains/(losses) on other investment assets	5,769	924	900	7,593

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £
Gains/(losses) on other investment assets	15,796	3,011	1,218	20,025

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Notes to the Financial Statements (continued)

Year ended 31 May 2025

14. Net expenditure

Net expenditure is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	<u>690</u>	<u>568</u>

15. Independent examination fees

	2025	2024
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,880</u>	<u>2,640</u>

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	118,466	153,824
Social security costs	7,491	10,269
Employer contributions to pension plans	<u>11,103</u>	<u>14,491</u>
	<u>137,060</u>	<u>178,584</u>

The average head count of employees during the year was 3 (2024: 4). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of Administrative staff	1	1
Number of Teaching staff	<u>2</u>	<u>3</u>
	<u>3</u>	<u>4</u>

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

17. Trustee remuneration and expenses

College Trustees are not remunerated for services rendered in their capacity of Trustees. Trustees do however receive remuneration for services provided as employees of the College. The following amounts were paid to Trustees during the year:

	2025	2024
	£	£
Rev. Dr. I. J. Birch - Salary	51,149	48,000
- Pension	<u>5,114</u>	<u>4,000</u>

1 (2024:1) College Trustee received expenses of £1,142 (2024:£1,684) during the year.

Scottish Baptist College

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Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

18. Transfers between funds

The income from the Endowment funds is to be applied to meet the general costs of running the College. Therefore the income from the Endowment fund of £684 (2024: £1,249) was transferred to the General fund.

The Mr. & Mrs. McAndrew restricted fund allows surplus income to be used to support the general costs of the College. Therefore surplus income of £1,610 (2024: £875) on this and other Bursary Revenue funds was transferred to the General fund.

19. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1 June 2024	8,060	8,060
Additions	1,053	1,053
At 31 May 2025	<u>9,113</u>	<u>9,113</u>
Depreciation		
At 1 June 2024	7,502	7,502
Charge for the year	690	690
At 31 May 2025	<u>8,192</u>	<u>8,192</u>
Carrying amount		
At 31 May 2025	<u>921</u>	<u>921</u>
At 31 May 2024	<u>558</u>	<u>558</u>

20. Investments

	Listed investments £
Cost or valuation	
At 1 June 2024	295,037
Additions	22,073
Disposals	(36,479)
Fair value movements	7,344
At 31 May 2025	<u>287,975</u>
Impairment	
At 1 June 2024 and 31 May 2025	
Carrying amount	
At 31 May 2025	<u>287,975</u>
At 31 May 2024	<u>295,037</u>

All investments shown above are held at valuation.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

20. Investments *(continued)*

Financial assets held at fair value

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The investment objective for the College is to maintain and enhance the long term capital value of the fund in real terms whilst generating sufficient income to allow the College to carry out its charitable objectives. Investments are to be well diversified and must satisfy the conditions of the Charities and Trustee Investment (Scotland) Act 2005 and relevant statutory instruments. Aside from the amounts held in cash to meet operating requirements the funds of the College are managed by a professional fund manager. Consideration is given to the environmental consciousness and social responsibility of all companies where investments are made. Further to this, specific investment restrictions have been agreed upon and instructed to the investment manager. Direct investment is therefore prohibited in any company where the participation in armaments, tobacco, alcoholic beverages, pornography or gambling activities contributes above 10% to total turnover, as well as companies involved in animal testing for non-medical purposes (unless required to by regulations).

21. Debtors

	2025	2024
	£	£
Prepayments and accrued income	<u>3,837</u>	<u>7,760</u>

22. Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals and deferred income	<u>7,988</u>	<u>3,492</u>

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

23. Pensions and other post retirement benefits

Pensions

The College is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the Employer and the other participating employers.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. (Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.)

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

The Ordained Ministers of the College staff and some other members of the College staff are eligible to join the Scheme.

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

The key financial assumptions underlying the valuation were as follows:

Type of assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pension increases	
Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 are in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme was due to take place not later than as at 31 December 2022. However, the DB Plan is to be wound up, and the process to wind it up was started with effect from 31 March 2024 and therefore no formal valuation is due to take place.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022. These contributions ceased in November 2024, as the scheme was no longer in deficit. The outstanding deficiency contributions due under the Recovery Plan up to November 2024 are not considered material and therefore have not been included in the balance sheet.

Multi-Employer Scheme

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

As there is a large number of contributing employers participating in the Scheme, the College is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the College is £11,103 (2024 - £14,491).

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 May 2025

24. Analysis of charitable funds

Unrestricted funds

	At 1 Jun 2024	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 May 2025 £
General funds	213,205	155,389	(197,588)	2,294	5,769	179,069

	At 1 Jun 2023	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 May 2024 £
General funds	258,520	168,810	(232,045)	2,124	15,796	213,205

Restricted funds

	At 1 Jun 2024	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 May 2025 £
Ministers Book Fund	3,547	–	–	–	–	3,547
Bursary Capital	61,143	–	–	–	–	61,143
Bursary Revenue	–	1,610	–	(1,610)	–	–
Special Bursary	2,008	–	–	–	–	2,008
Restricted gains on investments	24,547	–	–	–	924	25,471
	91,245	1,610	–	(1,610)	924	92,169

	At 1 Jun 2023	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 May 2024 £
Ministers Book Fund	3,547	–	–	–	–	3,547
Bursary Capital	61,143	–	–	–	–	61,143
Bursary Revenue	–	875	–	(875)	–	–
Special Bursary	2,008	–	–	–	–	2,008
Restricted gains on investments	21,536	–	–	–	3,011	24,547
	88,234	875	–	(875)	3,011	91,245

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

24. Analysis of charitable funds *(continued)*

The Bursary Capital Fund comprises of the following sums of money:

	2025	2024
	£	£
Dr. Jervis Coats Fund	1,200	1,200
Isobel McKinnon Gardner Nimmo Fund	1,352	1,352
Dr. Duncan Heriot Ministers' Prize	1,366	1,366
Dr. Duncan Heriot students' Prize	1,208	1,208
Mr & Mrs J.B. McAndrew Fund	47,598	47,598
Scottish Covenanters Memorial Prize	2,750	2,750
Ralston Prize for Preaching	1,000	1,000
Other funds	4,669	4,669
	<u>61,143</u>	<u>61,143</u>

The Bursary and Prize funds were gifted to provide income for bursaries and prizes. The Mr & Mrs J B McAndrew Fund allows surplus income to be used to support the general costs of the College. Other funds comprise smaller funds individually less than £1,000.

The Ministers Book fund was established to provide reference books to former students on obtaining their first charge.

Scottish Baptist College

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 May 2025

24. Analysis of charitable funds (continued)

Endowment funds

	At 1 Jun 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 May 2025 £
Endowment Funds - Revenue Account	-	684	-	(684)	-	-
George & Isabella Cuthbertson Fund	2,707	-	-	-	-	2,707
Dr John McBeath Memorial to the Churches Affiliated with Baptist Union of Scotland	414	-	-	-	-	414
Dr Duncan Heriot Administration Expenses Fund	200	-	-	-	-	200
W Holms Coats Memorial Fund	31,000	-	-	-	-	31,000
Peter & Agnes Currie Memorial Fund	352	-	-	-	-	352
Miss Oliver Mary Coats Memorial Fund	6,652	-	-	-	-	6,652
Endowment Gains on investments	14,985	-	-	-	900	15,885
	<u>56,310</u>	<u>684</u>	<u>-</u>	<u>(684)</u>	<u>900</u>	<u>57,210</u>

	At 1 Jun 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 May 2024 £
Endowment Funds - Revenue Account	-	1,249	-	(1,249)	-	-
George & Isabella Cuthbertson Fund	2,707	-	-	-	-	2,707
Dr John McBeath Memorial to the Churches Affiliated with Baptist Union of Scotland	414	-	-	-	-	414

Scottish Baptist College

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Notes to the Financial Statements *(continued)*

Year ended 31 May 2025

24. Analysis of charitable funds *(continued)*

Dr Duncan Heriot Administration Expenses Fund	200	–	–	–	–	200
W Holms Coats Memorial Fund	31,000	–	–	–	–	31,000
Peter & Agnes Currie Memorial Fund	352	–	–	–	–	352
Miss Oliver Mary Coats Memorial Fund	6,652	–	–	–	–	6,652
Endowment Gains on investments	13,767	–	–	–	1,218	14,985
	<u>55,092</u>	<u>1,249</u>	<u>–</u>	<u>(1,249)</u>	<u>1,218</u>	<u>56,310</u>

25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2025 £
Tangible fixed assets	921	–	–	921
Investments	204,839	54,638	28,498	287,975
Current assets	(18,703)	37,531	28,712	47,540
Creditors less than 1 year	(7,988)	–	–	(7,988)
Net assets	<u>179,069</u>	<u>92,169</u>	<u>57,210</u>	<u>328,448</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £
Tangible fixed assets	558	–	–	558
Investments	215,162	52,229	27,646	295,037
Current assets	977	39,016	28,664	68,657
Creditors less than 1 year	(3,492)	–	–	(3,492)
Net assets	<u>213,205</u>	<u>91,245</u>	<u>56,310</u>	<u>360,760</u>

26. Related parties

College Trustees are not remunerated for services rendered in their capacity of Trustees. Trustees do however receive remuneration for services provided as employees of the College. This remuneration is disclosed in note 16.

1 (2024:1) College Trustee received expenses of £1,142 (2024:£1,684) during the year.