

Lancashire and Cumbria Theological Partnership

**Report and
Unaudited Financial Statements
for the 16 months from
1st September 2015 to 31st December 2016**

Company Registration No 4412662

Registered Charity No. 1105055

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LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

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LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

COUNCIL'S REPORT **FOR THE 16 MONTHS ENDED 31 DECEMBER 2016**

The Council of Lancashire and Cumbria Theological Partnership (known as LCTP) presents its report (directors' report for the purpose of company law) together with the financial statements for the period from 1st September 2015 to 31st December 2016.

Reference and Administrative Details of LCTP

The members of Council, who are the trustees (for the purposes of charity law) and directors (for the purposes of company law), during the period and as at the date of signing follow:

Nominated by Carlisle Diocesan Board of Finance	The Rt Revd R Freeman Prof A S Garden Mrs V J Hallard The Revd Canon Prof R Hannaford (Chair) Mr D Hurton Mr M D Lawson The Revd B Lock The Rt Revd J W S Newcome Mrs A Ransome	(Appointed 1 September 2016) (Appointed 1 September 2016) (Appointed 1 September 2016) (Appointed 1 September 2016) (Appointed 1 September 2016) (Appointed 1 September 2016) (Appointed 1 September 2016)
Nominated by Blackburn Diocesan Board of Finance	The Rt Revd J Henderson Mr G D Pollard	(Resigned 1 September 2016) (Resigned 1 September 2016)
Nominated by University of Cumbria	The Revd Canon Prof R Hannaford Mrs S C Mercier Dr E Shaw	(Resigned 9 September 2015) (Resigned 9 September 2015) (Resigned 1 September 2016)
Company Secretary Principal	The Revd Roger Latham The Revd Roger Latham	
Registered Office	Church House, 19-24 Friargate, Penrith CA11 7XR	
Company Registration Number	4412662	
Charity Registration Number	1105055	
Bankers	HSBC PO Box 5 29 English Street Carlisle Cumbria, CA3 8JT	
Reporting Accountants	Dodd & Co FIFTEEN Rosehill Montgomery Way Rosehill Estate Carlisle Cumbria, CA1 2RW	
Insurers	Ecclesiastical Insurance Group Montpellier House Montpellier Gloucester, GL1 1LF	

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

COUNCIL'S REPORT **FOR THE 16 MONTHS ENDED 31 DECEMBER 2016 (continued)**

Structure, Governance and Management

LCTP was incorporated as a company limited by guarantee on 9th April 2002 under the name of Carlisle and Blackburn Diocesan Training Institute. It was registered with the Charity Commission from 22nd July 2004. Its governing document is its Memorandum and Articles of Association. By Special Resolution of its members the name was changed to Lancashire and Cumbria Theological Partnership on 4th September 2007.

The business of LCTP is managed by its Council of Management who are the Directors for the purposes of the Companies Acts. The members of Council who have served during the year are listed on page 1.

Historically, LCTP always had a close association with the University of Cumbria (formerly St Martin's College). In recognition of this an agreement was made with effect from 2nd November 2006 between the Diocesan Boards of Finance of Carlisle and Blackburn and the University of Cumbria to restructure LCTP. As a result, the membership of LCTP was changed so that the two Diocesan Boards of Finance remained members and the University of Cumbria appointed two members.

Following this change of members, the two Diocesan Boards of Finance each nominated two members of Council and the University of Cumbria nominated four members of Council. All other members of Council not thereby nominated resigned.

In 2016, it was agreed by the two Dioceses and the University that LCTP would operate on behalf of and be controlled in full, going forward, by the Diocese of Carlisle. On 31st August 2016, those members and Directors representing the Blackburn Diocese and the University of Cumbria resigned, and on 1st September seven new Trustees were appointed.

LCTP is now operating under the name of 'Cumbria Christian Learning' and this change of name will soon be recognised legally. In the future, as Cumbria Christian Learning, the charity will provide the full range of ministerial learning and development activities for Carlisle Diocese. It will also provide some learning and development support to other partners in the ecumenical county of Cumbria, including the Methodist and United Reformed churches.

No Member of Council has any beneficial interest in the Company.

The Council of LCTP monitors and assesses the major risks faced by the Company. Regular reporting by the Principal to the Council enables potential problems to be identified at an early stage. A fully documented risk assessment and management strategy is in place in order to mitigate the impact of the risks faced by LCTP.

Objectives and Activities

LCTP's principal objective is to prepare men and women for all categories of Ordained Ministry and accredited Lay Ministry and to assist in the preparation of men and women for Reader Ministry. It provides training courses which are, where appropriate, academically validated through the University of Cumbria and Durham University.

It aims to encourage and enable the Church in the Diocese of Carlisle, (and historically Blackburn, Bradford) and throughout the area to explore and discover those forms of ministry most appropriate to rapidly changing social and economic conditions both nationally and regionally. It also aims to encourage candidates to develop new styles of ministry recognising both the Christian tradition and the context of ministry.

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

COUNCIL'S REPORT **FOR THE 16 MONTHS ENDED 31 DECEMBER 2016 (continued)**

Objectives and Activities (Continued)

In considering how the objectives of LCTP are achieved the trustees have had regard to the Charity Commission's guidance on public benefit, principally with regard to the advancement of religion but also for the advancement of education. Graduates of LCTP programmes enter public ministry at different levels in a variety of institutions and remain subject to the guidance given on public benefit which is, in turn, reported on by those institutions.

Achievements and Performance

In the 16 months to 31st December 2016 LCTP undertook significant work to prepare for its new role of delivering an integrated approach to vocations and learning and development provision for mission and ministry in Cumbria in support of the Diocesan Strategy God for All. In its new role LCTP will provide all learning and development provision for Carlisle Diocese, including that which was previously provided directly by the Diocesan Training Team. Preparing for this change in 2016 included reviewing governance, agreeing new priorities with the Diocesan Bishop's Council, developing a staffing structure and recruiting new staff, reviewing provision and developing a new financial model.

Among the first programmes that LCTP delivered for the Diocese in 2016 were new programmes of learning and development for the first cohort of Leaders in Mission Communities and establishing and resourcing a network of Mission Communities' Consultants and Critical Friends. LCTP also contributed significantly to a review of the arrangements for curacies in Carlisle Diocese and will be responsible for managing the implementation of that review as well as implementing the Diocesan Vocations initiative.

During the period LCTP continued to deliver a range of programmes for Readers, curates and ordination trainees validated by the University of Cumbria and Durham University. As part of this, in the period to August 2016 LCTP "taught-out" the remaining students from Blackburn Diocese on the Church of England's Common Awards programme in advance of Blackburn's withdrawal from LCTP.

Financial Review

These Financial Statements cover a period of 16 months to 31st December 2016, following the alignment of the Charity's year-end with that of its ultimate parent company, the Carlisle Diocesan Board of Finance Ltd.

In what has been a challenging period, and one of significant change for LCTP, the 16 months to 31 December 2016 saw the charity incur a deficit of £83,637. This reflected a significant fall in income as a result of the planned "teaching-out" of students from Blackburn Diocese and the time lag in recruiting new students from Carlisle Diocese. Expenditure on staff remained significant because of the need to maintain capacity to teach the remaining ordination students alongside beginning to deliver new requirements for Carlisle Diocese. The Diocese of Blackburn honoured their commitment to support LCTP in this transitional period through a donation of £34,073. Costs were kept to a minimum during this period of transition.

Council believes that sufficient reserves should be held to support the ongoing activities of LCTP and ensure that liabilities can be paid when they fall due. Historically the major source of income came from fees which tend to be received termly. Therefore, sufficient reserves need to be maintained to cover up to one term's worth of expenditure (approximately £46,000).

At 31st December 2016, the balance of unrestricted funds available had moved to become a deficit of £65,863. However, the Diocese of Carlisle has made a commitment to make grant funding available to LCPT during its transitional phase to ensure that it has sufficient working capital at all times.

The Financial Statements which follow comply with the governing document and have been prepared in accordance with the Charity Accounting Regulations and the Statement of Recommended Practice "Accounting and Reporting by Charities".

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

COUNCIL'S REPORT
FOR THE 16 MONTHS ENDED 31 DECEMBER 2016 (continued)


Statement of Council's Responsibilities

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the income and expenditure of the Company for that period. In preparing those financial statements, the Directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company
- d) state whether applicable Accounting Standards have been followed, subject to any material departures disclosed

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Council



The Revd Canon Prof Robert Hannaford (Chair)

5th September 2017

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

I report on the accounts of the company for the period ended 31 December 2016, which are set out on pages 1 to 11.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006.
- 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.


Faye Armstrong FCA
Dodd & Co Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
DATE 5/9/17

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE SIXTEEN MONTHS ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds 16 months to 31 December 2016 £	Restricted Funds 16 months to 31 December 2016 £	Total Funds 16 months to 31 December 2016 £	Total Funds 12 months to 31 August 2015 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	34,074	-	34,074	189
Investment income	2	42	-	42	39
Income from charitable activities					
Training courses	3	71,394	-	71,394	126,908
Total		105,510	-	105,510	127,136
EXPENDITURE ON:					
Charitable activities					
Costs of training	4	189,017	130	189,147	155,469
Total		189,017	130	189,147	155,469
NET INCOME / (EXPENDITURE)	6	(83,507)	(130)	(83,637)	(28,333)
TRANSFERS BETWEEN FUNDS					
		-	-	-	-
NET MOVEMENT IN FUNDS		(83,507)	(130)	(83,637)	(28,333)
Fund Balances brought forward		17,644	2,845	20,489	48,822
FUND BALANCES CARRIED FORWARD	10	(65,863)	2,715	(63,148)	20,489

The notes on pages 8 to 11 form part of these accounts.

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

BALANCE SHEET AS AT 31 DECEMBER 2016

	Notes	31 December 2016 £	31 August 2015 £
Current Assets			
Debtors		-	-
Cash at bank		81,697	84,573
		<u>81,697</u>	<u>84,573</u>
Creditors			
Amounts falling due within one year	9	<u>144,845</u>	<u>64,084</u>
Net Current Assets		<u>(63,148)</u>	<u>20,489</u>
NET ASSETS		<u><u>(63,148)</u></u>	<u><u>20,489</u></u>
Unrestricted Funds	10		
Capital fund		18,939	18,939
General funds		(84,802)	(1,295)
Total Unrestricted Funds		<u><u>(65,863)</u></u>	<u><u>17,644</u></u>
Restricted Funds	10		
RTP		£2,715	£2,845
Total Restricted Funds		<u><u>2,715</u></u>	<u><u>2,845</u></u>
TOTAL FUNDS	11	<u><u>(63,148)</u></u>	<u><u>20,489</u></u>

Company registration number: 4412662

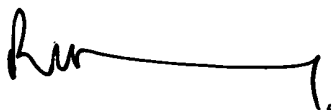
For the financial period ended 31st December 2016 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts 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 accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board on and signed on its behalf by:



The Revd Canon Prof Robert Hannaford (Chair)
(Chair)

5/9/17

The notes on pages 8 to 11 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE 16 MONTHS ENDED 31 DECEMBER 2016**1 Statement of Accounting Policies**

The accounts of LCTP are prepared in accordance with the Charities and Companies Acts, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 (the Charities SORP), and with the Financial Reporting Standard for Smaller Entities (effective January 2015). These accounts are drawn up on the historical cost accounting basis and the following paragraphs describe the specific policies adopted for the recognition of significant categories of incoming resources and expenditure.

Fees and similar income

Fees receivable and charges for services are accounted for in the period in which the service is provided.

Resources expended

Resources expended are accounted for on an accruals basis. Overhead and other costs not directly attributable to a particular activity are apportioned over the relevant categories on the basis of management estimates, either by reference to staff time or space occupied as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

	16 months to 31 December 2016	12 months to 31 August 2015
2 Donations and legacies	£	£
Donations	<u>34,074</u>	<u>189</u>
Investment income	£	£
Bank interest receivable	<u>42</u>	<u>39</u>
All investment income received last year related to unrestricted funds.		
3 a) Income from training courses	£	£
Tuition fees		
Sponsored students	33,961	62,876
Independent students	10,043	6,675
Readers	15,400	31,600
	<u>59,404</u>	<u>101,151</u>
HEFCE funding		
Core funding	-	732
	<u>-</u>	<u>732</u>
Other fees		
Registration fees	3,125	13,250
Sundry fees	125	-
Admin recharges	8,740	8,775
	<u>11,990</u>	<u>22,025</u>
RTP	-	3,000
	<u>71,394</u>	<u>126,908</u>

Of the £126,908 received in 2015, £3,000 related to restricted funds and £123,908 related to unrestricted funds.

b) HEFCE Funding

Previously the Higher Education Funding Council of England provided core funding for each student per module. The tuition fee element of this funding is collected by LCTP. This is being phased out with only 2 students attracting funding in 2014/15 and none in 2015/16.

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE 16 MONTHS ENDED 31 DECEMBER 2016

		16 months to 31 December 2016	12 months to 31 August 2015
4 Training Costs	£	£	£
Staff costs			
Academic, Training & Director staff		95,255	66,144
Other training costs			
Travel costs	8,170		6,353
Speakers fees & expenses	2,377		1,476
Training days & staff meetings	1,053		151
Tutors vouchers	-		730
Registration Fees	17,993		26,925
Books	356		181
Library	-		98
Recruitment costs	3,216		-
Sundry expenses	2,989		678
		<hr/> 36,154	<hr/> 36,592
Residential Costs			
Study Day School	280		152
Summer School accommodation	2,255		3,921
Weekend Conference accommodation	8,829		13,917
		<hr/> 11,364	<hr/> 17,990
Support costs		46,374	34,743
		<hr/> <u>189,147</u>	<hr/> <u>155,469</u>

Of the training costs last year, £155,314 related to unrestricted funds and £155 to restricted funds.

5 Support Costs	Total £	Total £
Staff costs	30,451	23,982
Staff travel	887	1,255
Office expenses	6,600	4,200
Postage & telephone	393	359
Printing, copying & stationery	1,047	1,248
Computer expenses	3,911	968
Accountancy	900	900
Insurance	779	798
Bank charges	128	110
Reporting Accountant's fees	990	840
Council travel & expenses	288	83
	<hr/> <u>46,374</u>	<hr/> <u>34,743</u>

6 Net Income for the Period

This is stated after charging:	£	£
Reporting Accountant's Remuneration	<hr/> 990	<hr/> 840

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE 16 MONTHS ENDED 31 DECEMBER 2016

7 Taxation

No provision has been made for taxation as the Company's activities are wholly charitable.

8 Staff

Payments have been made to the Diocese of Carlisle to cover the costs of administrative personnel seconded to the Company. These are included in support costs, £24,714 (2015: £23,982).

No remuneration has been paid to any director of the Company. Neither have any expenses been paid (2015: £nil).

	2016	2015
	£	£
9 Creditors:		
Amounts falling due within one year		
Carlisle DBF	143,845	57,289
Trade Creditors	-	5,945
Accruals	1,000	850
	<u>144,845</u>	<u>64,084</u>

10 Funds

Capital Funds	<u>18,939</u>	<u>18,939</u>
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The assets, liabilities and activities of the unincorporated Carlisle and Blackburn Diocesan Training Institute were transferred to the Company on 1st September 2002. The value of the net assets has been included as an unrestricted capital reserve.

General Funds

Balance brought forward 1st September 2015	(1,295)	29,883
Net income for the period	(83,507)	(31,178)
Balance carried forward 31st December 2016	<u>(84,802)</u>	<u>(1,295)</u>
Total Unrestricted Funds	<u>(65,863)</u>	<u>17,644</u>

Restricted Funds

RTP		
Balance brought forward 1st September 2015	2,845	-
Net income for the period	(130)	2,845
Balance carried forward 31st December 2016	<u>2,715</u>	<u>2,845</u>
Total Funds	<u>(63,148)</u>	<u>20,489</u>

The RTP fund includes funding received in respect of training courses to be run in partnership with other Church bodies. Nothing (2015: £Nil) has been transferred to general funds to cover salaries and administration costs incurred on behalf of the RTP.

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE 16 MONTHS ENDED 31 DECEMBER 2016

11 Net Assts by Fund	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Current assets	78,982	2,715	81,697
Creditors: Amounts falling due within one year	(144,845)	-	(144,845)
Net assets	<u>(65,863)</u>	<u>2,715</u>	<u>(63,148)</u>

12 Ultimate controlling party

LCTP is under the ultimate control of its member, the Carlisle Diocesan Board of Finance .

LANCASHIRE AND CUMBRIA THEOLOGICAL PARTNERSHIP

INFORMATION NOT FORMING PART OF THE STATUTORY ACCOUNTS

INCOME AND EXPENDITURE ACCOUNT FOR THE 16 MONTHS ENDED 31 DECEMBER 2016

	Actual 16 Months to 31.12.16	Actual Year to 31.8.2015
	£	£
INCOME		
Sponsored Students	33,961	62,876
Other Denominations	-	-
Independent Students	10,043	6,675
Readers	15,400	31,600
HEFEC Funding	-	732
Registration Fees	3,125	13,250
HEFCE MSM	-	-
Administration Recharges	8,740	8,775
RTP	-	3,000
Sundry Fee Income	125	-
Donations	34,074	189
Other Income	-	-
Interest Received	42	39
Total Income	<u>105,510</u>	<u>127,136</u>
EXPENDITURE		
Staff Costs		
Academic Costs	95,255	66,144
Administration Payroll	30,451	23,982
	<u>125,706</u>	<u>90,126</u>
Other Training Costs		
Academic Travel & Training	9,223	6,504
Speakers Fees and Expenses	2,377	1,476
Tutors Vouchers	-	730
Registration Fees	17,993	26,925
Recruitment Costs	3,216	-
Professional Charges	-	-
Independent Examination Fees	990	840
Accountancy	900	900
Council Meetings & Expenses	288	83
Library Books & Supplies	356	279
Printing, Copying and Stationery	1,047	1,248
Postage & Telephone	393	359
Administrative Travel	887	1,255
Office Premises Costs	6,600	4,200
Insurance	779	798
Bank Charges	128	110
Sundry Expenses	2,989	678
Computer Expenses	3,911	968
	<u>52,077</u>	<u>47,353</u>
Residential Costs		
Summer School Accommodation & Travel	2,255	3,921
Weekend Conferences & Day Schools	9,109	14,069
	<u>11,364</u>	<u>17,990</u>
Total Expenses	<u>189,147</u>	<u>155,469</u>
Deficit for Year	<u>(83,637)</u>	<u>(28,333)</u>