

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED
(Company Limited by Guarantee)
(Company reg. 3892644)
(Charity registration number: 1079138)

REPORT AND ACCOUNTS

31 DECEMBER 2019

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED

	Page
Company Information	1
Directors and Trustees Report	2
Auditors Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	9

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED**COMPANY INFORMATION****FOR THE YEAR ENDED 31 DECEMBER 2019**

COMPANY OFFICE	St Stephen's Church Gloucester Road Southwell Gardens London SW7 4RL
DIRECTORS AND TRUSTEES	Roger Martin Howell Preece James Edward Day Ross Egerton Rita Anna Day James Patrick Rodier
SECRETARY	Roger Martin Howell Preece
GENERAL MANAGER	Mark Hodgin
BANKERS	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
AUDITORS	Kojo & Co. Limited Chartered Certified Accountants 118-120 London Road Mitcham Surrey CR4 3LB

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED DIRECTORS AND TRUSTEES REPORT

The directors and trustees present their report together with the audited accounts for the year ended 31 December 2019

PRINCIPAL ACTIVITY AND RESULTS FOR THE YEAR

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association.

The principal activity of the company during the period was the provision and maintenance of a church hall and for furthering the religious and other charitable work of the Church of England in the ecclesiastical parish of St. Stephen's, Gloucester Road.

The results for the year are given in the attached accounts.

The company does not have a share capital. The liability of its members is limited by guarantee. Any surplus is distributed as grant to St Stephen's Church.

DIRECTORS AND TRUSTEES

The directors who served during the year and at the date of this report are:

Roger Martin Howell Preece
James Edward Day
Ross Egerton
Rita Anna Day
James Patrick Rodier

All the directors are members of the company and guarantee to contribute a sum not exceeding £10.00 to the assets of the company in the event of it being wound up. At 31 December 2019 there were 5 members.

SECRETARY

Roger Martin Howell Preece

GENERAL MANAGER

Mark Hodgkin

OBJECTIVES AND ACTIVITIES

The object of the Charity is the provision of funds to support St Stephen's Church and to maintain an on-going programme of refurbishment of St Stephen's House, which is its principal asset.

The Directors and Trustees are responsible for the following:

- * providing resources to support the work of St Stephen's Church
- * ensuring that maximum use is made of the building to the benefit of the company
- * maintain a programme of maintenance and refurbishment of St Stephen's House

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED DIRECTORS' AND TRUSTEES REPORT (CONTD)

MAIN OBJECTIVES FOR THE YEAR

The main objectives for the year were:

- * To continue to support the mission of the church at St Stephen's Church Gloucester Road SW7 4RL
- * To support and facilitate a programme of major refurbishment and development at the church premises over the coming years in conjunction with the Vicar and Parochial Church Council
- * To identify priorities for further use and application of funds at the disposal of the Directors and Trustees taking into account the needs of the church for continuing financial support for mission and the need for further work on the building and its facilities.

GRANT MAKING POLICY

Grants are made on both a regular and ad hoc basis at the discretion of the Board directly to St Stephen's Church in support of its mission and in fulfilment of the Company's charitable objectives. The Directors and Trustees agree the amount and of the grant with representatives of the Church. An annual schedule of grants is agreed by the Board at the start of the calendar year, and then monitored, reviewed and amended as required periodically throughout the year.

REVIEW OF PAST ACTIVITIES

The company managed the building of St Stephen's House including the Church Hall. It was maintained in a good and sound condition and also the services including heating, lighting and water appliances were kept in good operating order. It holds a lease from the No.1 Trust for the building for 999 years from 31 December 1999.

FUTURE DEVELOPMENTS

St Stephens church is currently undertaking a programme of major development which is scheduled to last a number of years. The company is committed to providing resources and assistance here in addition to other activities already supported.

APPOINTMENT OF DIRECTORS AND TRUSTEES

Board members are generally nominated and then appointed at St Stephen's House (Gloucester Road) Limited's general meeting based on their background, experience and relevance to St Stephen's House (Gloucester Road) Limited's objectives. When a vacancy arises on the board and a skill is identified, nominees may then be nominated to the board. Induction of new board members and training of existing members are conducted as and when required during each year.

RISK MANAGEMENT

The Trustees and Directors of St Stephen's House (Gloucester Road) Limited make every effort to ensure that the potential for financial and operational risk is reduced to the barest minimum by maintaining strict oversight through regular financial management reports, putting financial guidelines in place for staff, conducting regular financial health checks and maintaining a financial management information system for effective tracking of income and expenditures.

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED DIRECTORS' AND TRUSTEES REPORT (CONTD)

RESERVE POLICY

St Stephen's House (Gloucester Road) Limited aims in the medium term to achieve a balance of reserves equalling six months of operating cost of £89,437 in line with general guidelines for UK charities. In agreement with the Vicar of St Stephen's Church, the company is currently accumulating cash funds to help to finance the proposed redevelopment plan for the church. The cash balance at the end of 31 December 2019 was £367,475. The Trustees and Directors therefore consider this to be adequate in the light of flow of funds from normal operations.

PUBLIC BENEFIT

St Stephen's House (Gloucester Road) Limited exists solely to provide a church hall and charitable grants to St Stephen's Church, Gloucester Road. St Stephen's Church Gloucester Road is an Anglican parish church committed to serving the local parish, and enabling as many people as possible to worship at the church and to become part of our worshipping community. The trustees maintain a regular dialogue with the Vicar of the church and/or the Assistant Priest and make suggestions on how services can involve the many groups who live within the community. The worship and services put faith into practice through prayer and scripture, music and sacrament.

When planning activities for the year, we have considered the Charity Commission's guidance on public benefit and in particular, the specific guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our worshipping community through:

- * Worship and prayer; learning about the Gospel and developing their knowledge and trust in Jesus
- * Provision of pastoral care for people within the church
- * Missionary and outreach work

AUDITORS

Kojo & Co Limited, were appointed auditors during the year. Kojo & Co Limited having indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 is proposed that they are re-appointed as auditors for the ensuing year.

**ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED
DIRECTORS' AND TRUSTEES REPORT (CONTD)**

STATEMENT OF DIRECTORS' AND TRUSTEES' RESPONSIBILITIES

The Directors and Trustees are responsible for preparing the Directors and Trustees Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Acceptable Accounting Practice)

The law applicable to charities in England & Wales requires the Directors and Trustees to prepare financial statements for each year which give a true and fair view of the state of the affairs of the Company and of its incoming resources and application of resources of the Company for that period. In preparing these financial statements, the Directors and Trustees are required to:

- * select suitable accounting policies and then apply them consistently;
- * observe the methods and principles in the Charities SORP
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The Directors and Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

The Directors and Trustees are responsible for the maintenance and integrity of the Company and the financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdiction.

By order of the board

James Edward Day
Director

Dated.

Independent Auditor's Report to the Trustees of St Stephen's House (Gloucester Road) Limited

We have audited the financial statements of St Stephen's House (Gloucester Road) Limited (the charitable company) for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102- The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- * give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 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.
- * have been prepared in accordance with the requirements of the Companies Act 2006

Basis of opinion

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

Conclusions relating to going concern

We have nothing to report in respect to the following matters in relation to which the ISAs (UK) require us to report to you where:

- * the trustees use of the going concern basis of accounting in the preparation of the financial statement is not appropriate; or
- * the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Trustees of St Stephen's House (Gloucester Road) Limited (Contd)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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 misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- * the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- * the charitable company has not kept adequate accounting records; or
- * the financial statements are not in agreement with the accounting records and returns; or
- * we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Independent Auditor's Report to the Trustees of St Stephen's House (Gloucester Road) Limited (Contd)

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

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

Kojo Amoah-Arko
Senior Statutory Auditor)
For and on behalf of Kojo & Co. Ltd
Statutory Auditor

118-120 London Road
Mitcham
Surrey
CR4 3LB

Dated

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
INCOMING RESOURCES			
Rental income	2	304,597	264,510
Investment income	3	123,765	9,849
		<u>428,362</u>	<u>274,359</u>
RESOURCES EXPENDED			
Direct charitable	4a	100,000	60,000
Management and administration	4b	78,874	87,846
		<u>178,874</u>	<u>147,846</u>
NET INCOME FOR THE YEAR		249,488	126,513
Balance brought forward		4,951,729	4,825,216
BALANCE CARRIED FORWARD		<u>5,201,217</u>	<u>4,951,729</u>

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	£	2019 £	£	2018 £
TANGIBLE FIXED ASSETS	6		4,175,000		4,175,000
CURRENT ASSETS					
Debtors	7	12,179		9,387	
Investments	8	668,468		544,755	
Bank and cash balances		367,475		246,806	
		<u>1,048,122</u>		<u>800,948</u>	
CREDITORS: Amounts falling due within one year	9	21,905		24,219	
			<u>1,026,217</u>	<u>776,729</u>	
			<u>5,201,217</u>	<u>4,951,729</u>	
FUNDS:					
Unrestricted	10		<u>5,201,217</u>		<u>4,951,729</u>

James Edward Day
Director

Approved by the board on

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LTD
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Net Cash flow from operating activities (Note 1)	120,617	123,563
Return on investments and servicing of finance		
Interest receivable	123,765	9,849
Net Cash flow from Investments (Note 2)		
Investments	(123,713)	(9,818)
Increase/(Decrease) in Cash	<u>120,669</u>	<u>123,594</u>
1. Reconciliation of operating profit to Net Cash flow from Operating Activities		
Operating surplus	249,488	126,513
Investment income	(123,765)	(9,849)
(Increase)/Decrease in Debtors	(2,792)	(238)
Increase/(Decrease) in Creditors	(2,314)	7,137
	<u>120,617</u>	<u>123,563</u>
2. Net Cash flow from Investments		
(Increase)/Decrease in investments	<u>(123,713)</u>	<u>(9,818)</u>
3. Reconciliation of Net Cash flow to Movement in Net Cash		
Increase in Cash in the year	120,669	123,594
Net Cash at 1 January 2019	246,806	123,212
Net Cash at 31 December 2019	<u>367,475</u>	<u>246,806</u>

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LIMITED
NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES

1a. Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016)- (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). St Stephens House meets the definition of a public benefit entity under FRS102. Assets are initially recorded at historical cost unless otherwise stated in the relevant accounting policy note.

1b. Tangible Fixed Assets and Depreciation

The Company holds a 999 years from the No. 1 Trust. The buildings are stated at valuation.

The directors and trustees have control over and responsibilities over the property at 49 Emperor's Gate, Southwell Gardens, London SW7 4RL. Balancing the obligations of maintenance, and the prospective income flows, the directors and Trustees consider that the valuation at 31 August 2016 is acceptable for the purposes of the financials statements.

Depreciation

Depreciation of tangible fixed assets is provided on the straight line basis over the expected useful lives of the assets as follows:

Leasehold land and buildings	Not depreciated
Equipment	25% on cost

Tangible Fixed Assets

Leasehold land and buildings are stated at valuation. Equipment is stated at cost.

1c. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within in current liabilities.

1d. Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of he instrument. Financial assets and liabilities are offset , with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LTD
NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES (Contd)

1e. Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful Economic Lives. The annual depreciation charge for tangible fixed assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances. Depreciation rates are described in note (1f) to the financial statements.

1f. Income

Rental income, investment income and other incomes are accounted for on accrual basis.

1g. Grants

Grants made are accounted for on a payable basis.

1h. Resources expended

Resources expended are accounted for on an accrual basis. They are analysed between direct charitable expenditure, cost of providing services and government cost based on the nature of the expenditure.

1j. Governance cost

Governance cost include costs incurred in the governance of the company and are primarily concerned with constitutional compliance and statutory requirements.

1k. Fund accounting

Unrestricted funds are net incoming resources generated for expenditure on the general objectives of the company.

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LTD
NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

	2019	2018
	£	£
2. RENTAL INCOME		
Rent receivable	240,928	221,500
Service charges	63,669	43,010
	<u>304,597</u>	<u>264,510</u>
3. INVESTMENT INCOME		
Gain in value of investments	123,713	9,818
Bank interest received	52	31
	<u>123,765</u>	<u>9,849</u>
4. RESOURCES EXPENDED		
4a. Direct Charitable		
Grant to St Stephen's Church	100,000	60,000
	<u>100,000</u>	<u>60,000</u>
4b. Management and administration		
Insurance Buildings	12,146	11,719
Insurance Others	536	559
Management charge	20,000	20,000
Repairs and maintenance- Building	14,195	31,456
Gas & electricity	9,688	12,282
Cleaning	6,480	5,616
Other professional fees	12,516	3,300
Audit fees	3,000	2,500
Trustees' expenses	213	331
Company House charges	26	13
Bank charges	74	69
	<u>78,874</u>	<u>87,846</u>

ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LTD
NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

5. NET INCOME FROM THE YEAR

		2019	2018
		£	£
The net income for the year is stated after charging			
Auditors remuneration	Current year	3,000	2,500
	Other services	2,750	2,750
		<hr/>	<hr/>

6. TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings	Equipment	Total
COST OR VALUATION	£	£	£
As at 1 January 2019 & 31 December 2019	4,175,000	11,320	4,186,320
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
Balance brought forward and carried forward	-	11,320	11,320
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
As at 31 December 2019	4,175,000	-	4,175,000
	<hr/>	<hr/>	<hr/>
As at 31 December 2018	4,175,000	-	4,175,000
	<hr/>	<hr/>	<hr/>

	2019	2018
	£	£
7. DEBTORS		
Prepayments	9,887	9,387
Other debtors	2,292	-
	<hr/>	<hr/>
	12,179	9,387
	<hr/>	<hr/>

**ST. STEPHEN'S HOUSE (GLOUCESTER ROAD) LTD
NOTES TO THE ACCOUNTS - 31 DECEMBER 2019**

	2019	2018
	£	£
8. INVESTMENTS		
Investments in CBF Church of England Investment Fund	668,468	544,755
	<hr/>	<hr/>

9. CREDITORS: Amounts falling due within one year

Social security and other taxes	16,305	12,875
Accruals	5,600	11,344
	<hr/>	<hr/>
	21,905	24,219
	<hr/>	<hr/>

10. FUNDS

	01-Jan-19	Receipts	Payments	31-Dec-19
	£	£	£	£
Unrestricted	4,951,729	428,362	178,874	5,201,217
	<hr/>	<hr/>	<hr/>	<hr/>

**11. ANALYSIS OF FUND BALANCES
BETWEEN THE NET ASSETS**

	Unrestricted 2019	Unrestricted 2018
	£	£
Tangible fixed assets	4,175,000	4,175,000
Current assets	1,048,122	800,948
Current liabilities	(21,905)	(24,219)
	<hr/>	<hr/>
	5,201,217	4,951,729
	<hr/>	<hr/>

12. TRUSTEES' EXPENSES

No remuneration was paid to trustees during the year. However travel expenses of £213 (2018: £331) were reimbursed to trustees.