

The Two St. James Trust

Report and Accounts

Year ended 31 December 2022

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

THE TWO ST. JAMES TRUST
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Chris Booker Edwin Clark (appointed 1 March 2022) David Irvine (resigned 1 March 2022) Andrew Shingleton (resigned 7 January 2023) Peter Whittle (appointed 7 January 2023)
Company Secretary	Chris Booker
Governing Document	Memorandum and Articles of Association dated 12 July 2006
Company Registration Number	5874412
Charity Registration Number	1117902
Registered Office	3 Uplands Gerrards Cross Buckinghamshire SL9 7JQ
Independent Examiner	Sarah Crispin ACA Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	National Westminster Bank PLC

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THE TWO ST. JAMES TRUST
TRUSTEES' ANNUAL REPORT
(INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors, who are the charity's trustees for the purposes of charity law, have pleasure in submitting the Report and Accounts for the year.

Objects of the Company

The Company's objects are to advance the Christian faith in accordance with the Statement of Beliefs, appearing in its Memorandum of Association, in Gerrards Cross and Fulmer, Buckinghamshire and in such other parts of the UK or the world as the Directors may from time to time think fit.

Summary of the Company's main activities and achievements

The year ended 31 December 2022 has been a significant year for the Company. In February 2022 the Directors began seeking God and commenced a fundraising exercise that ultimately led to the purchase of our second property at 4 Pinewood Close, Gerrards Cross on 27 May 2022. We are grateful for God's provision and the generosity of many donors in enabling us to make this purchase. As part of the funding for the purchase, the Company received repayment of the loan of £130,000 it had previously made to the Parochial Church Council (PCC) of St James Gerrards Cross with Fulmer. In addition, the Company took out two interest free loans totalling £80,000.

To further the above objects, the Company's main activities are now to let our existing property at 3 The Uplands, Gerrards Cross and our new property at 4 Pinewood Close, Gerrards Cross at a discounted rent to the PCC of St James Gerrards Cross with Fulmer. The current agreements run to 30 June 2023.

The Company received legal advice in the year which indicated that the letting agreements for both properties should be common law tenancy agreements. Under property law, it is necessary for the landlord to remain liable for property repairs and maintenance costs under such agreements. These accounts reflect the property repair and maintenance costs incurred in the 2022 year. The Directors will estimate the likely property costs that the Company may incur in the future when determining the terms on which the Company is prepared to let the properties when the letting agreements are renewed and the amount of cash that is prudent for the Company to retain in order to meet reasonable costs that may be incurred in the future.

In planning the activities the Directors have applied the guidance on public benefit issued by the Charity Commission.

Structure, governance and management

Responsibility for setting policy and for making operating decisions rests with the Directors who meet as required to monitor the activities of the Company. The Directors can recommend the appointment of a new Director. Approval by the members is required to appoint a new Director.

Financial review

During the year income increased by £397,455 to £400,706 due to donations received for the purchase of a new property. Expenditure also increased, by £5,888 to £7,279 which included expenditure on repairs to the properties. The surplus in the year was £393,427. There was a revaluation gain on social investment property of £337,757 which along with the surplus in the year resulted in an increase in the Company's net assets to £1,641,353. This includes £1,699,728 held as social investments in the form of the two properties less two concessionary loans repayable by the Company totalling £80,000 that are due for repayment in 2025 & 2029. Net current assets increased by £3,699 to £21,625.

THE TWO ST. JAMES TRUST
TRUSTEES' ANNUAL REPORT
(INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves policy

The Board of Directors have established a policy whereby free reserves held by the Company should be maintained at a sufficient level to cover reasonable costs that may be incurred by the Company in the future.

Currently they are of the view that this should equate to an amount between £25,000 and £40,000 to reflect a balance between prudence and the retention of excessive funds which could otherwise be used to further the objects of the Company. The Directors are also mindful that the Company will need to raise further funds in the future with which to repay the total loans of £80,000 that are repayable by the Company in the future. At the balance sheet date the Company held a cash balance of £27,381.

Key risks and uncertainties

The Company is exposed to various risks - be they operational, financial or reputational. The Directors review the Company's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks.

Responsibilities of Directors under company law

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the Trustees and signed on their behalf by:

Chris Booker

Chris Booker

Edwin Clark

Edwin Clark

Date: 16 July 2023

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
THE TWO ST. JAMES TRUST
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022 on pages 5 to 11 following, which have been prepared on the basis of the accounting policies set out on pages 7 to 8.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Sarah Crispin

Sarah Crispin ACA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 18 July 2023

THE TWO ST. JAMES TRUST
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations	3	-	392,625	392,625	-
Investments	4	8,081	-	8,081	3,251
Total income and endowments		8,081	392,625	400,706	3,251
EXPENDITURE ON:					
Charitable activities	5	7,279	-	7,279	1,391
Total expenditure		7,279	-	7,279	1,391
Net gains/(losses) on investments		-	-	-	-
Net income/(expenditure)		802	392,625	393,427	1,860
Transfers between funds		392,625	(392,625)	-	-
		393,427	-	393,427	1,860
Other recognised gains/(losses):					
Gains/(losses) on revaluation of social investment property	7	337,757	-	337,757	-
Net movement in funds		731,184	-	731,184	1,860
Reconciliation of funds:					
Total funds brought forward		910,169	-	910,169	908,309
Total funds carried forward		1,641,353	-	1,641,353	910,169

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

The notes on page 7 - 11 form part of these accounts.

THE TWO ST. JAMES TRUST
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
FIXED ASSETS					
Social investments	7	1,699,728		1,699,728	892,243
		<u>1,699,728</u>	<u>-</u>	<u>1,699,728</u>	<u>892,243</u>
CURRENT ASSETS					
Debtors	8	1,684	-	1,684	1,250
Cash at bank and in hand	9	27,381	-	27,381	17,126
		29,065	-	29,065	18,376
CREDITORS: Amounts falling due within one year	10	(7,440)	-	(7,440)	(450)
Net current assets / (liabilities)		<u>21,625</u>	<u>-</u>	<u>21,625</u>	<u>17,926</u>
Total assets less current liabilities		<u>1,721,353</u>	<u>-</u>	<u>1,721,353</u>	<u>910,169</u>
CREDITORS: Amounts falling due after more than one year	11	(80,000)	-	(80,000)	-
Net assets / (liabilities)		<u>1,641,353</u>	<u>-</u>	<u>1,641,353</u>	<u>910,169</u>
TOTAL NET ASSETS		<u>1,641,353</u>	<u>-</u>	<u>1,641,353</u>	<u>910,169</u>
FUND BALANCES					
Unrestricted Funds					
General funds		1,303,596	-	1,303,596	910,169
Revaluation reserve		337,757	-	337,757	-
		<u>1,641,353</u>	<u>-</u>	<u>1,641,353</u>	<u>910,169</u>
Restricted Funds		-	-	-	-
		<u>1,641,353</u>	<u>-</u>	<u>1,641,353</u>	<u>910,169</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Chris Booker

CHRIS BOOKER

Date: 16 July 2023

Edwin Clark

EDWIN CLARK

Company number: 5874412

Charity number: 1117902

The notes on page 7 - 11 form part of these accounts.

THE TWO ST. JAMES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP")", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Investment income represents income generated by the charity's assets and includes income from letting the charity's social investment properties.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

g) Investments

Social investments are investments where the primary motive is to further the charity's objects, not to generate an investment return. Social investments comprise :

- i) concessionary loans. These are initially recognised as the amount paid and thereafter the carrying value at every balance sheet date is adjusted for repayments, interest charges and provisions for impairment if the amount owed may not be fully recoverable.
- ii) an investment in property that is let at less than market rate. The trustees assess fair value of these investment properties every year at the balance sheet date and revalue every 3 years or where there are significant changes in the property market such that any change in fair value would be material.

Impairment losses and losses arising on the disposal of social investments are included in the Statement of Financial Activities under the heading 'Expenditure on charitable activities'. Gains arising on the disposal of social investments are included in the Statement of Financial Activities under the heading 'Other income'. All other gains and losses on investment assets are included in the Statement of Financial Activities under the heading 'Net gains / (losses) on investments'.

THE TWO ST. JAMES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

- k) Taxation
The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.
- l) Financial instruments
The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).
- n) Exemption from preparing a cashflow statement
The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.
- o) Critical accounting estimates and areas of judgement
The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations

	2022	2021
	£	£
Donations of cash and similar	349,100	-
Income tax recoverable	43,525	-
	<u>392,625</u>	<u>-</u>

4 Investment income

	2022	2021
	£	£
Property letting	8,081	3,251
	<u>8,081</u>	<u>3,251</u>

5 Charitable expenditure

	2022	2021
	£	£
a Costs incurred directly on specific activities		
Property repairs & maintenance	4,872	-
Property insurance	830	751
	<u>5,702</u>	<u>751</u>
b Costs incurred on support & administration		
Governance costs		
Independent examiner's fee	1,470	640
Other	107	-
	<u>1,577</u>	<u>640</u>
Total expenditure	<u>7,279</u>	<u>1,391</u>

The fee payable to the independent examiner for preparing and examining the accounts was £1,440 (2021: £480, accounts preparation only).

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The charity has no employed staff. Its activities are carried out by volunteers.

No persons were considered to have fulfilled the role of key management

No trustees received employment benefits during the year (2021: £nil)

No trustees received reimbursement of expenses during the year (2021: £nil)

THE TWO ST. JAMES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7 Social investments

	2022	2021
	£	£
Concessionary loans:		
Cost, less impairment, brought forward	130,000	130,000
Loans repaid in the year	(130,000)	-
Cost, less impairment, carried forward	-	130,000
Land & buildings:		
Cost, less impairment, brought forward	762,243	762,243
Additions during the year	599,728	-
Change in value of investments	337,757	-
Fair value carried forward	1,699,728	762,243
 Total cost, less impairment, brought forward	<u>892,243</u>	<u>892,243</u>
Total cost, less impairment, carried forward	<u>1,699,728</u>	<u>892,243</u>

Social investments include a concessionary loan made to the PCC of St James Gerrards Cross with Fulmer to purchase a residential property, 38a Lovel Road, Chalfont St Peter and is interest free. It was repaid in full during the year.

The land and buildings comprise two residential properties at 3 The Uplands and 4 Pinewood Close, Gerrards Cross which are let to the PCC of St James Gerrards Cross with Fulmer at a rent that is less than market rent. The trustees have made an estimate of the fair value, taken to be open market value assuming vacant possession, of 3 The Uplands based on average sales of equivalent properties in the area during the preceeding year. 4 Pinewood Close was purchased during the year and has been included at initial cost.

These investments are classified as 'social investments' as they are not held primarily to generate a financial return but as part of the charitable objectives of the charity.

8 Debtors: falling due within one year

	2022	2021
	£	£
Rent receivable	-	1,250
Other debtors	1,684	-
	<u>1,684</u>	<u>1,250</u>

9 Cash at Bank and in Hand

	2022	2021
	£	£
Cash at bank with immediate access	27,381	17,126
	<u>27,381</u>	<u>17,126</u>

10 Creditors: liabilities falling due within one year

	2022	2021
	£	£
Other creditors	6,000	-
Accruals	1,440	450
	<u>7,440</u>	<u>450</u>

11 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Concessionary loans	80,000	-
	<u>80,000</u>	<u>-</u>

THE TWO ST. JAMES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Loans and finance leases

The liability for concessionary loans referred to in note 11 fall due for repayment as follows:

	Otherwise than by instalments	By instalments	Concessionary loans 2022 £	2021 £
Repayable:				
Within one year			-	
Between one and five years	40,000	-	40,000	-
After five years	40,000	-	40,000	-
	<u>80,000</u>	<u>-</u>	<u>80,000</u>	<u>-</u>

The charity has two concessionary loans both of which are interest free and unsecured; they must be repaid in full by 31 March 2025 (£40,000) and by 27 May 2029 (£40,000).

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Gains and losses 2022 £	Closing balance 2022 £
<i>Revaluation reserve</i>						
3 The Uplands	-	-	-	-	337,757	337,757
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>337,757</u>	<u>337,757</u>
<i>General Unrestricted Funds</i>	910,169	8,081	(7,279)	392,625	-	1,303,596
	<u>910,169</u>	<u>8,081</u>	<u>(7,279)</u>	<u>392,625</u>	<u>337,757</u>	<u>1,641,353</u>
<i>Restricted Funds</i>						
Property purchase fund	-	392,625	-	(392,625)	-	-
	<u>-</u>	<u>392,625</u>	<u>-</u>	<u>(392,625)</u>	<u>-</u>	<u>-</u>
 Aggregate of funds	 910,169	 400,706	 (7,279)	 -	 337,757	 1,641,353

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds		Restricted funds	2022
	General funds £	Revaluation reserve £	£	£
Social investments	1,361,971	337,757	-	1,699,728
Debtors	1,684	-	-	1,684
Cash at bank and in hand	27,381	-	-	27,381
Creditors falling due within one year	(7,440)	-	-	(7,440)
Creditors falling due after one year	(80,000)	-	-	(80,000)
	<u>1,303,596</u>	<u>337,757</u>	<u>-</u>	<u>1,641,353</u>

The Property purchase fund represents donations given during the year for the purchase of a second property. On purchase, these funds were transferred to general funds as the property is held as a social investment on the balance sheet to be used in accordance with the charity's objects.

There were no restricted or designated funds during the previous year.

THE TWO ST. JAMES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14 Transactions with related parties

There have been no transactions with related parties during the year.

15 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.