

**ELEVENTH CHURCH OF CHRIST,  
SCIENTIST, LONDON**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 OCTOBER 2016**

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**THE TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2016**

The Trustees are pleased to present their report and the Annual accounts for the year ended 31 October 2016.

**Legal and Administrative Information**

The Church is a Registered Charity, No. 236093, and is governed by a Constitution and Church Rules.

**Constitutional Information**

This branch Church of The Mother Church, The First Church of Christ, Scientist, Boston, Massachusetts, was organised on 9<sup>th</sup> June 1922, and its object is to spread the truth of the healing Christ as revealed to this age by Mary Baker Eddy.

**Principal Address**

Until 3 January 2016: 83 Baker Street, London W1U 6AG

Thereafter: 11 St Chad's Street, London WCV1H 8BG

**Board of Trustees** as at 31 October 2016. Appointed by the members annually.

Brian Blandford (Chairman)

Peter Humble

Susan Farrell

Quentin Jones

Daphne Richardson

**Clerk** Hazel Patterson

**Treasurer** Daphne Richardson

**Bankers and Other Advisors**

Bankers: HSBC plc, 90 Baker Street, London W1U 6AX

Charities Official Investment Fund, 80 Cheapside, London EC2B 6DZ

Solicitor: John Lacy

Coole Bevis LLP Solicitors, 14 Carfax, Horsham, West Sussex RH12 1DZ

Auditors: Myrus Smith, Chartered Accountants, Norman House, 8 Burnell Road, Sutton, Surrey, SM1 4BW

Custodian

Trustee: Elevenist Syndicate Ltd., a non-profit making company, held the deeds of the Church freehold property at 11 St Chad's Street, London WC1H 8BG. The Directors of this company are the Board of Trustees of the Church as listed above. The deeds are now held by the Official Custodian.

**Objectives, Activities and Organisation**

The Church's objective is to maintain, demonstrate, and spread the knowledge of Truth, as set forth in the Bible and *Science and Health with Key to the Scriptures* by Mary Baker Eddy, the Discoverer and Founder of Christian Science.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**THE TRUSTEES REPORT FOR THE YEAR ENDED 31 OCTOBER 2016**  
**Continued**

**Review of Progress and Achievements**

**Activities**

The Church's activities are directed to the fulfilment of its object: "...to spread the truth of the healing Christ as revealed to this age by Mary Baker Eddy." To achieve this object the Church continued its main activities during the year of report, namely, holding of public services, provision of a Sunday School, maintenance of a Reading Room, and sponsorship of at least two public lectures each year.

A religious service is held every Sunday at 10:30 a.m. and a Sunday School is held at the same time for young people up to the age of 20. Every Wednesday evening a meeting is held which includes an opportunity for members of the congregation to testify to the healing power of Christian Science and to share experiences resulting from the study and practice of the religion. A Thanksgiving Service is held annually on the fourth Thursday in November.

Until 3 January 2016 the Church occupied temporary office accommodation in 83 Baker Street, London W1U 6AG and services were held in the Park Plaza Sherlock Holmes Hotel, 108 Baker Street, London, W1U 6LJ. Between 1 June 2015 and 3 January 2016 a temporary Reading Room was provided in the Sherlock Holmes Hotel.

Following the move to 11 St Chad's Street, the Church maintained there a Christian Science Reading Room which was open every day of the week excepting public holidays. Here the Bible, the Christian Science textbook, Science and Health with Key to the Scriptures, by Mary Baker Eddy, her other writings, and literature published by the Christian Science Publishing Society, were available to be read, borrowed or purchased.

**Financial Results**

The Statement of Financial Activities on page 6 shows net incoming resources for the year of £220,242 compared to net incoming resources of £306,127 in 2015. On the income side, the Church has started to receive rental income from office space at the new premises and investment income has increased to £48,607.

**Reserves**

The Church maintains a General Fund (unrestricted funds) to meet financial needs as they arise.

At the year end the Church's unrestricted funds amounted to £4,029,935 and restricted funds, represented by the Building Fund (Note 12), amounted to £800,000.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**THE TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2016**  
**Continued**

**Appointment, training and induction of Trustees**

Our Church is a branch of The Mother Church, The First Church of Christ Scientist, Boston, MA, USA but is in its government completely independent, self-financed and self-governed. All branches of the Mother Church enjoy a congregational form of government. There are no hierarchies.

The five Trustees are Church members who are elected annually by the membership. In practice the Trustees serve on a rotating basis for up to three years. However there is no prohibition for a trustee to serving more than three years, nor to being elected again after an interval.

There is no formal training, but as Trustees are elected on a rotating basis, newly elected members of the Board are normally serving with experienced members. Other Church officers are members annually appointed by the Board.

**Risk management**

The Church depends on donations for its financial sustenance. Financial reserves are accumulated and invested in COIF and CAF accounts. The treasurer prepares monthly accounts for the Board and members. All invoices are approved and checked by the Board and the treasurer. Direct debits are in use for many accounts. Approved invoices are paid by bank transfer or by cheque. Cheques are signed by the Treasurer and one Board Member or two Board Members. In addition to insurance covering assets, the Church carries public and employer's liability insurance.

**Plans for future periods**

When planning activities for the year, the Board has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

**Statement of the Trustees' Responsibilities**

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources of the charity for that period.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**THE TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2015**  
**Continued**

In preparing these financial statements, the trustees are required to:

**Statement of the Trustees' Responsibilities/contd...**

- 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Approval**

The report of the Trustees was approved by the Board on 26 August 2017 and signed on their behalf by:

Brian Blandford  
Chairman

Independent Auditor's Report to the Trustees of:  
**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**

We have audited the financial statements of Eleventh Church of Christ, Scientist, London, for the year ended 31 October 2016 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 the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 3 to 4, the trustees are responsible for the preparation of financial statements which give a true and fair view.

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2016 and of its incoming resources and application of resources, 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 Charities Act 2011.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Norman House,  
8 Burnell Road,  
Sutton, Surrey  
SM1 4BW

26 August 2017

MYRUS SMITH  
Chartered Accountants and  
Statutory Auditor

Myrus Smith is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 OCTOBER 2016**

	Notes	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
		£	£	£	£
<b>Income from:</b>					
Donations and legacies	2a	68,536	250,000	318,536	414,527
Charitable activities	2b	9,054	-	9,054	10,089
Investments	2c	48,607	-	48,607	1,423
Other	2d	5,779	-	5,779	86,375
		131,976	250,000	381,976	512,414
<b>Expenditure on:</b>					
Charitable activities	3	161,734	-	161,734	206,287
		161,734	-	161,734	206,287
<b>Net income/(expenditure)</b>		(29,758)	250,000	220,242	306,127
<b>Reconciliation of funds</b>					
Fund balances brought forward at 1 January 2016		4,059,693	550,000	4,609,693	4,303,566
Fund balances carried forward at 31 December 2016	15	£4,029,935	£800,000	£4,829,935	£4,609,693

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**

**BALANCE SHEET**

**AT 31 OCTOBER 2016**

		2016		2015	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	4		5,275,288		4,418,161
Investments	5		5		5
			<u>5,275,293</u>		<u>4,418,166</u>
<b>CURRENT ASSETS</b>					
Stocks		6,549		6,985	
Debtors	6	11,905		226,160	
Cash at bank and in hand		334,248		342,755	
		<u>352,702</u>		<u>575,900</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	7	798,060		384,373	
		<u>798,060</u>		<u>384,373</u>	
Net current (liabilities)/assets			(445,358)		191,527
<b>NET ASSETS</b>			<u>£4,829,935</u>		<u>£4,609,693</u>
<b>FUNDS</b>					
Unrestricted funds	10		4,029,935		4,059,693
Restricted funds	11		800,000		550,000
			<u>£4,829,935</u>		<u>£4,609,693</u>

Approved by the Board of Trustees on 26 August 2017 and signed on its behalf by:

Q. Jones                    -TRUSTEE

B. Blandford              -TRUSTEE

The notes on pages 8 to 13 form part of these Financial Statements



**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2016**

1. ACCOUNTING POLICIES

a) Basis of preparation

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 Standard for Smaller Entities (effective January 2015). Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity.
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

c) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probably that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs undertaken to further the purposes of the Charity and their associated support costs.

d) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities.

e) Tangible Fixed Assets

Depreciation is provided on fixed assets at rates estimated to write off the cost of each asset over its expected useful life.

Computer equipment	25% reducing balance
Furniture and equipment	15% reducing balance

f) Taxation

As the Church is a registered Charity the results of its normal activities are not liable for tax.

g) Stock

Stocks of reading material are stated at cost.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2016**

2. INCOME	Unrestricted <u>Funds</u>	Restricted <u>Funds</u>	Total <u>2016</u>	Total <u>2015</u>
a) Donations and legacies	£	£	£	£
Grants	-	250,000	250,000	300,000
Donations	68,536	-	68,536	114,527
	<u>£68,536</u>	<u>£250,000</u>	<u>£318,536</u>	<u>£414,527</u>

Of the £414,527 received in 2015, £300,000 was restricted funds and £114,527 was unrestricted funds.

Included in donations received in 2016 is a dissolution gift of £50,000 from First Church of Christ, Scientist, Hendon.

b) Charitable activities			<u>2016</u>	<u>2015</u>
Reading room sales	£9,054	£Nil	£9,054	£10,089
	<u>£9,054</u>	<u>£Nil</u>	<u>£9,054</u>	<u>£10,089</u>

All of the £10,089 received in 2015 related to unrestricted funds.

c) Investment income	£	£	£	£
Rents	48,460	-	48,460	-
Bank deposit interest	147	-	147	1,423
	<u>£48,607</u>	<u>£Nil</u>	<u>£48,607</u>	<u>£1,423</u>

All of the £1,423 received in 2015 related to unrestricted funds.

d) Other income	£	£	£	£
Recharged expenses	5,779	-	5,779	-
Lease assignment proceeds	86,375	-	86,375	-
	<u>£92,154</u>	<u>£Nil</u>	<u>£92,154</u>	<u>£Nil</u>

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2016**

3. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	Activities undertaken <u>directly</u> £	Support cost <u>cost</u> £	Total <u>2016</u> £	Total <u>2015</u> £
Salaries and Honoraria	12,402	6,210	18,612	14,835
Musician fees	11,563	-	11,563	10,853
Rent	-	32,540	32,540	99,113
Reading room purchases	12,689	-	12,689	9,982
General maintenance	-	1,309	1,309	2,193
Printing, stationery and postage	-	3,266	3,266	2,788
Electricity	-	11,894	11,894	6,752
Insurance	-	9,495	9,495	11,426
Rates	-	570	570	419
Professional fees	-	18,790	18,790	8,808
Accountancy	-	4,121	4,121	3,588
Governance – audit fees	-	3,554	3,554	3,264
Bank charges	-	758	758	1,489
Computer costs	-	204	204	402
Telephone	-	4,397	4,397	2,554
Public lectures	-	2,195	2,195	2,902
Committee on publication	-	1,271	1,271	1,619
Advertising and promotional	-	1,088	1,088	3,548
Sundry	-	465	465	1,828
Removal services	-	738	738	1,819
Cleaning	-	8,454	8,454	3,854
Travel	-	2,538	2,538	31
Loan interest	-	1,250	1,250	-
Depreciation	-	9,737	9,737	12,220
Irrecoverable VAT	-	236	236	-
	<u>£36,654</u>	<u>£125,080</u>	<u>£161,734</u>	<u>£206,287</u>

All of the expenditure in 2015 and 2016 related to unrestricted funds.

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2016**

4. TANGIBLE FIXED ASSETS

	Land and Buildings	Furniture and fittings		
		Church	Reading room	Total
Cost	£	£	£	£
At 1 November 2015	4,350,168	78,081	17,965	4,446,214
Additions	863,357	3,507	-	866,864
	<u>5,213,525</u>	<u>81,588</u>	<u>17,965</u>	<u>5,313,078</u>
Depreciation				
At 1 November 2015	-	13,006	15,047	28,053
Charge for the year	-	9,218	519	9,737
	<u>-</u>	<u>22,224</u>	<u>15,566</u>	<u>37,790</u>
Net Book Value				
At 31 October 2016	<u>£5,213,525</u>	<u>£59,364</u>	<u>£2,399</u>	<u>£5,275,288</u>
At 31 October 2015	<u>£4,350,168</u>	<u>£65,075</u>	<u>£2,918</u>	<u>£4,418,161</u>

5. INVESTMENTS

This represents the cost of five fully paid £1.00 shares registered severally in the names of the Church Board of Trustees.

6. DEBTORS

	2016	2015
	£	£
Prepayments	8,634	8,006
Other debtors	3,271	218,154
	<u>£11,905</u>	<u>£226,160</u>

7. CREDITORS: Amounts falling due within one year

Loan	250,000	-
Other creditors	15,513	525
Accruals	532,547	383,848
	<u>£798,060</u>	<u>£384,373</u>

**ELEVENTH CHURCH OF CHRIST, SCIENTIST, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2016**

8. STAFF COSTS	2016	2015
Salaries and Wages	£26,881	£18,489
	<u>          </u>	<u>          </u>

No employee earned more than £60,000 per annum.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	Number	Number
Administration	2	2
Church Activities	3	3
	<u>      </u>	<u>      </u>
	5	5
	<u>      </u>	<u>      </u>

9. TRUSTEE REMUNERATION

The trustee neither received nor waived any emoluments during the year (2015 : £NIL).

Travel expenses of £120 were reimbursed to 1 trustee during the year (2015 : £NIL)

10. UNRESTRICTED FUNDS	£	£
Balance at 1 November 2015	4,059,693	4,053,566
Net (expenditure)/income	(29,758)	6,127
	<u>          </u>	<u>          </u>
Balance at 31 October 2016	£4,029,935	£4,059,693
	<u>          </u>	<u>          </u>

11. RESTRICTED FUNDS

	B/fwd at 1 Nov. 2015	Income	Expenditure	C/fwd at 31 Oct. 2016
Building fund	£550,000	£250,000	£NIL	£800,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The balance carried forward of £800,000 represents a grant from the Westminster Fund to support building works at the new church building.

12. ANALYSIS OF NET ASSETS  
BETWEEN FUNDS

	Unrestricted £	Restricted £	Total £
Fixed assets	4,475,288	800,000	5,275,288
Investments	5	-	5
Net Current liabilities	(445,358)	-	(445,358)
	<u>          </u>	<u>          </u>	<u>          </u>
	£4,029,935	£800,000	£4,829,935
	<u>          </u>	<u>          </u>	<u>          </u>