

St Clements Parish Property
Registered Charity No. 220051

Financial Statements
for the year ended
30th June 2017

Wenn Townsend
Chartered Accountants and Statutory Auditor
30 St Giles'
Oxford
OX1 3LE

St Clements Parish Property
Index to the Financial Statements
for the year ended 30th June 2017

	Page
Annual Report	1 - 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 - 12
Summary Income and Expenditure Account	13

**St Clements Parish Property
Annual Report for the year ended 30th June 2017**

Legal and Administrative Information

St Clements Parish Property is registered with the Charity Commissioners (No. 220051) and constituted by Deed of Trust dated 17th March 1903.

The Charity is administered by a Board of Trustees. The Trustees who served during the year were as follows:-

Chair	Revd Rachel Gibson (Rector of St Clement's Church)
Treasurer	Mr T Knowles
Other Trustees	Mr S J Livingstone
	Dr D Maughan (to 6th December 2016)
	Ms H Carstairs
	Mrs K Rumford (from 6th December 2016)
	Revd P Mounstephen (from 6th December 2016)

Dr D Maughan resigned as a Trustee with effect from 6th December 2016. Mrs K Rumford and Revd P Mounstephen were appointed as Trustees the same day.

New Trustees are appointed by the remaining Trustees. Nominations for Trustees are put forward at Trustees' meetings, when the individual has confirmed their willingness to serve, and then formally proposed, seconded and voted upon at the meeting itself. Induction and training of new Trustees is informal, mainly covered by and attendance at meetings where policy decisions are taken and matters of concern discussed; and by reference to Charity Commission training and guidance documents.

The Charity's insurance broker for general insurance purposes is Ecclesiastical Insurance Office (EIG). Trustees' liability insurance is arranged with XL Catlin, brokered by Spinks (Kidlington, Oxford). The Charity's banker is Barclays Bank plc, Cowley, Oxford OX4 3XT. The independent examiner is Mr L J Baker ACA, Wenn Townsend, 30 St Giles, Oxford OX1 3LE. The Charity has also taken advice from Ellis Whittam, consultants in Health and Safety and HR Management (to 31st March 2017); and from experienced individual Health and Safety and HR practitioners from 1st April 2017.

The Charity employs the following people:

Property Manager	:	Mr R Tomlinson
Bookings Secretary	:	Mr P Hart
Cleaner	:	Ms F Roghany

In addition the Charity contributes to the remuneration of the St Clement's Church Youth Worker, who until 5th March 2017 was Mr Clint McVea, in recognition of his work for the Charity at its premises at 57F St Clement's Street ("The Mish").

Object, Organisation and Activities

The object of the Charity as stated in the 1903 Deed of Trust is to maintain any properties it owns for any objects, ends or purposes having in view the spiritual, intellectual, moral or social wants of the inhabitants of the parish of St Clements or the immediate neighbourhood which the Rector of the parish for the time being may approve.

The Trust Deed states that any rents or profits accruing from the properties owned by the Charity shall be employed first in payment of the annual outgoings in respect of the properties, thereafter any surplus shall be applied as a fund for the repair and amendment of the buildings.

During the year under review the Charity has continued to work towards fulfilment of its object in a number of ways:

- Residential properties are rented to private tenants. Certain of the properties owned by the Charity are let at below market rent to people who in the Trustees' opinion are in particular need. The Trustees regard this element of subsidy as contributing to the social wants of the community of St Clements, consistent with the Charity's object.
- The Trustees estimate the annual value of the above subsidies of residential and property rents to be approximately £22,000.

St Clements Parish Property

Annual Report for the year ended 30th June 2017

Object, Organisation and Activities (continued)

- The facilities of the Cross Street Family Centre and the Mish Youth Centre are let to such bodies as St Clement's Parish Church, St Clement's Pre-School, St Clement's Toddlers and the St Clement's Lunch Club, Oxford Churches Debt Centre and other hirers on occasional and regular bases. The Trustees regard the long-term and frequent use made of the Family Centre by such groups as a valuable investment in the community and the rents paid by these groups reflect this principle. In 2016-17 the rents charged were below what might be realised through full commercial use of the space (though in the opinion of the Trustees it is doubtful whether full commercial alternative usage could ever be achieved). To the extent that the difference between rents charged and full commercial value can be regarded as a subsidy, that subsidy was equivalent to about £11,000 in 2016-17.
- The Charity pays the costs of the part-time Property Manager and administration and maintenance staff at the Cross Street Family Centre and the Old Mission Hall properties. The Charity also pays 50% of the costs of the Youth Worker operating from the Mish Youth Centre. The Youth Worker is assisted by volunteers.
- Hutton Parker Property Management Ltd was appointed to manage the Charity's residential lettings from 1st March 2017, overseen by the Property Manager.
- In November 2016 the Charity commissioned reports from Marriotts Oxford on the construction and condition of its properties including a costed programme of planned maintenance.
- Guided by the Property Manager and including Forward Programme of Works developed from the reports above, the Trustees have undertaken an ongoing programme of maintenance, repair and refurbishment work on all its properties.
- The Trustees met six times during the period July 1st 2016- June 30th 2017 to receive reports from the Property Manager and others as appropriate, to consider matters arising from the day-to-day operations of the Charity and to discuss strategic initiatives.
- The six meetings included a Trustees' Awayday on 4th March 2017 to clarify the Charity's mission and values, particularly with respect to the management of rental properties and the deployment of financial assets in the service of the local community. The Trustees being cognisant of the Charity's substantial financial reserves are considering a more ambitious programme of property management and community development consistent with the Charity's objectives.

Public Benefit

As well as maintaining its properties as required by its deeds, the Trust uses its buildings and the rental income it raises for a wide range of community activities. These benefit all ages and incomes, from toddlers through to pensioners.

The Trustees review the aims, objectives and activities each year. As part of this review, reference is made to the guidance contained in the Charity Commission's general guidance on public benefit. The Trustees are satisfied that the activities of the charity fall comfortably within this public benefit test.

Finances and Reserves Policy

The attached financial statements show the current state of the finances. The Trustees consider that the current state of the charity's finances is sound.

The Trustees have determined that it should be the general policy of the Charity to maintain unrestricted funds, which are the free reserves of the Charity, at a level which equates at least to approximately twelve months' unrestricted expenditure. This policy would provide sufficient funds to cover the ongoing maintenance and repair of the property portfolio, together with the associated support costs. At 30th June 2017 reserves were at a higher level than required for the purposes outlined above, reflecting the Trustees' decisions at successive meetings since 2013 to maintain a higher-than-normal level of retention pending clarification of the Charity's strategy and obligations in respect of a more extensive programme of property repairs, refurbishment and redevelopment. The balance on unrestricted funds at 30th June 2017 stood at £646,140. (2016: £602,261). Trustees' Awaydays in 2016 and 2017 have now begun this work to shape future strategy and operational approach, in line with the Charity's Objects.

St Clements Parish Property

Annual Report for the year ended 30th June 2017

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces or may face, and confirm that insurances and systems are in place to mitigate any such risks.

Statement of 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 incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the 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 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.

On Behalf of the Trustees

Revd Rachel Gibson

27th February 2018

St Clements Parish Property
Independent Examiner's Report
for the year ended 30th June 2017

I report on the accounts of the charity for the year ended 30th June 2017 which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The Charity's Trustees 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.

It is my responsibility to:

- examine the accounts under section 144 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- 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 seeking 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 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave 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.

Mr L J Baker ACA
Wenn Townsend
30 St Giles'
Oxford
OX1 3LE

27th February 2018

St Clements Parish Property

**Statement of Financial Activities
For the year ended 30th June 2017**

	Note	Unrestricted funds £	Restricted funds £	Permanent Endowment funds £	Total 2017 £	Unrestricted funds £	Restricted funds £	Permanent Endowment funds £	Total 2016 £
Incoming Resources									
Investment Income	2	202,590	-	-	202,590	206,197	-	-	206,197
Total Incoming Resources		<u>202,590</u>	<u>-</u>	<u>-</u>	<u>202,590</u>	<u>206,197</u>	<u>-</u>	<u>-</u>	<u>206,197</u>
Resources Expended									
Charitable activities	3	157,566	-	-	157,566	138,587	-	-	138,587
Total Resources Expended		<u>157,566</u>	<u>-</u>	<u>-</u>	<u>157,566</u>	<u>138,587</u>	<u>-</u>	<u>-</u>	<u>138,587</u>
Net Incoming Resources		45,024	-	-	45,024	67,610	-	-	67,610
Total Funds Brought Forward at 1st July		<u>602,261</u>	<u>-</u>	<u>300,267</u>	<u>902,528</u>	<u>534,651</u>	<u>-</u>	<u>300,267</u>	<u>834,918</u>
Total Funds Carried Forward at 30th June		<u>647,285</u>	<u>-</u>	<u>300,267</u>	<u>947,552</u>	<u>602,261</u>	<u>-</u>	<u>300,267</u>	<u>902,528</u>

The notes on pages 7 to 12 form an integral part of these accounts

St Clements Parish Property
Balance Sheet as at 30th June 2017

	Note	£	2017 £	£	2016 £
Fixed Assets					
Freehold Properties	7(a)		502,417		502,417
Equipment	7(b)		-		-
			<u>502,417</u>		<u>502,417</u>
Current Assets					
Debtors	8	29,585		20,228	
Cash at bank and in hand		<u>444,568</u>		<u>407,867</u>	
			474,153		428,095
Current Liabilities					
Creditors: Amounts Falling due Within One Year	9		(29,018)		(27,984)
Net Current Assets			<u>445,135</u>		<u>400,111</u>
Net Assets			<u>947,552</u>		<u>902,528</u>
Represented By:					
Permanent Endowment Fund	10		300,267		300,267
Unrestricted Income Funds			<u>647,285</u>		<u>602,261</u>
Total Funds			<u>947,552</u>		<u>902,528</u>

These accounts were approved at a meeting of the Trustees held on 27th February 2018.

Revd Rachel Gibson

27th February 2018

The notes on pages 7 to 12 form an integral part of these accounts

St Clements Parish Property

Notes to the Financial Statements for the year ended 30th June 2017

1. Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Activities

The financial statements include the results of the Charity's operations as described in the Annual Report and all of which are continuing. The Charity has only one activity.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Rental income is recognised on a per diem basis with any rentals in respect of future periods deferred accordingly (see note 9)

(d) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. All support costs have been allocated to charitable activities in the current and previous year.

St Clements Parish Property

Notes to the Financial Statements for the year ended 30th June 2017

1. Accounting Policies (continued)

(f) Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(g) Value Added Tax

Value added tax is not recoverable by the Charity, and as such is included in the relevant costs in the Statement of Financial Activities.

(h) Social Investment

Certain of the properties owned by the Charity are let at below market rent to such bodies as St Clements Parish Church. The Trustees regard this element of subsidy as contributing to the social welfare of the greater community of St Clements which it serves namely youth work and work in relation to children and the elderly. This aspect of the Charity's work is described in more detail in the Trustees' Annual Report which accompanies the Accounts.

(i) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land and buildings	- None
Equipment	- Straight line over three years

Freehold land and buildings are maintained in a sufficient standard of upkeep that the impact of depreciation is considered to be immaterial. As such no depreciation is charged.

(j) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

St Clements Parish Property

Notes to the Financial Statements for the year ended 30th June 2017

1. Accounting Policies (continued)

(l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Gross rental income	202,564	-	202,564	205,997
Bank interest	26	-	26	200
	<u>202,590</u>	<u>-</u>	<u>202,590</u>	<u>206,197</u>

3. Cost of Activities in furtherance of the Charity's Objects

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Property maintenance expenses				
Computer and consumables	170	-	170	286
Rates	5,207	-	5,207	5,315
Insurance	3,620	-	3,620	3,752
Repairs and maintenance	68,752	-	68,752	48,390
Light and heat	14,529	-	14,529	14,756
Property Manager's salary costs	19,693	-	19,693	18,000
Other property related salaries	19,045	-	19,045	21,947
Licences and subscriptions	1,370	-	1,370	626
Legal and professional fees	12,595	-	12,595	10,023
Allocated from support costs	12,585	-	12,585	14,177
Bad debt	-	-	-	1,314
	<u>157,566</u>	<u>-</u>	<u>157,566</u>	<u>138,586</u>
Other property expenses				
Depreciation of equipment	-	-	-	-
	<u>157,566</u>	<u>-</u>	<u>157,566</u>	<u>138,586</u>

St Clements Parish Property

Notes to the Financial Statements for the year ended 30th June 2017

4. Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Independent Examiner's fees	440	-	440	420
Accountancy costs	1,650	-	1,650	1,500
	<u>2,090</u>	<u>-</u>	<u>2,090</u>	<u>1,920</u>

5. Support Costs

	Basis of Apportionment	Cost of Charitable Activities £	Governance Costs £	Total 2017 £	Total 2016 £
Independent Examiner's fees	Direct	-	440	440	420
Accountancy costs	Direct	3,640	1,650	5,290	5,294
Administration wages	Direct	4,728	-	4,728	6,695
Printing, postage and stationery	Direct	16	-	16	15
Telephone	Direct	2,111	-	2,111	1,753
		<u>10,495</u>	<u>2,090</u>	<u>12,585</u>	<u>14,177</u>

6. Trustees' Remuneration and Expenses and key management personnel

The average number of employees during the year was 3 (2016: 3) with all employee time involved in providing either support to the governance of the charity or support services to charitable activities.

The Trust considers its key management personnel comprise the Board of Trustees (who give up their time freely) and the Senior Management Team. The total employment benefits including employer pension contributions of the key management personnel were £19,845 (2016: £18,000). No employees had employee benefits in excess of £60,000 (2016: none).

St Clements Parish Property

Notes to the Financial Statements for the year ended 30th June 2017

7. Fixed Assets

		2017 £
(a) Freehold properties		
Cross Street Family Centre	- at valuation	130,000
12A Morrell Avenue	- at valuation	95,000
57A-57F St Clements	- at valuation plus subsequent additions at cost	260,584
Leasehold Improvements	- at valuation	16,833
		<u>502,417</u>
Represented by:	Permanent Endowment	300,267
	Unrestricted Fund expenditure capitalised	202,150
		<u>502,417</u>
(b) Equipment		
Cost		
Brought forward 1st July 2016 and carried forward 30th June 2017		<u>22,565</u>
Depreciation		
Brought forward 1st July 2016		22,565
Charge for the year		-
Carried forward 30th June 2017		<u>22,565</u>
Net book value 30th June 2017		<u>-</u>
Net book value 30th June 2016		<u>-</u>

8. Debtors

	2017 £	2016 £
Rental debtors	29,585	20,229
	<u>29,585</u>	<u>20,229</u>

St Clements Parish Property

**Notes to the Financial Statements
for the year ended 30th June 2017**

9. Liabilities: amounts falling due within one year

	2017	2016
	£	£
Creditors	5,650	3,765
Accruals	5,550	5,550
Tenants' Deposits	-	4,571
Deferred income	17,818	14,098
	<u>29,018</u>	<u>27,984</u>
	<u><u>29,018</u></u>	<u><u>27,984</u></u>

10. Summary of Net Assets by Funds

	Unrestricted Funds	Permanent Endowment	Total
	£	£	£
Fixed assets	-	300,267	300,267
Net current assets	647,285	-	647,285
	<u>647,285</u>	<u>300,267</u>	<u>947,552</u>
	<u><u>647,285</u></u>	<u><u>300,267</u></u>	<u><u>947,552</u></u>

Permanent Endowment Fund - the effective capital base of the Charity, from whence the expendable investment income is derived.

Unrestricted funds - those funds which the Trustees are free to use in accordance with the objects of the Charity.

St Clements Parish Property

Summary Income and Expenditure Account (General Fund) for the year ended 30th June 2017 (for the information of the Trustees)

	2017		2016	
	£	£	£	£
Income				
Rental income		202,564		205,996
Interest received		26		200
		<u>202,590</u>		<u>206,196</u>
Expenditure				
Rates	5,207		5,315	
Heat and light	14,529		14,756	
Repairs and maintenance	68,752		48,390	
Licences and subscriptions	1,370		626	
Property manager salary	19,693		18,000	
Other property related salaries	19,045		21,947	
Legal and professional	12,595		10,023	
Insurance	3,620		3,752	
Independent Examiner's fee	440		420	
Accountancy costs	5,290		5,294	
Administration wages	4,728		6,695	
Printing, postage and stationery	16		15	
Telephone	2,111		1,753	
Bad debt	-		1,314	
Computer and consumables	170		286	
		<u>157,566</u>		<u>138,586</u>
Surplus for the year		45,024		67,610
Surplus brought forward		602,261		534,651
Surplus carried forward		<u>647,285</u>		<u>602,261</u>
Surplus carried forward (other than Permanent Endowment)				
Restricted funds		-		-
Unrestricted funds		647,285		602,261
		<u>647,285</u>		<u>602,261</u>