

Company registration number: 06287991

Charity registration number: 1120335

St Seraphim's Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 June 2018

Aleathia Mann
Chartered Accountant
Aleathia Mann Ltd
14 Townsend Court
Reepham
Norwich
Norfolk
NR10 4LD

St Seraphim's Trust

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St Seraphim's Trust

Reference and Administrative Details

Trustees	Mr J S Downing, Chairman Ms P D Grealy Mrs B Harrison, Treasurer Miss S H Batchelor The Right Rev'd Jonathan Meyrick
Secretary	Ms Grealy
Principal Office	Saint Seraphims Station Road Little Walsingham Norfolk NR22 6EB
Registered Office	Saint Seraphims Station Road Little Walsingham Norfolk NR22 6EB
Company Registration Number	06287991
Charity Registration Number	1120335
Independent Examiner	Aleathia Mann Chartered Accountant Aleathia Mann Ltd 14 Townsend Court Reepham Norwich Norfolk NR10 4LD

St Seraphim's Trust

Trustees Report

The trustees, who are directors for the purposes of company law, present their annual report together with the financial statements of the charitable company for the year ended 30 June 2018.

Objectives and activities

Objects and aims

- * to advance the holy tradition of the Orthodox Christian faith for the benefit of the public in accordance with its statements of belief.
- * to advance the Orthodox Christian faith in Norfolk and the United Kingdom for the benefit of the public through the holding of prayer meetings, lectures, public celebrations of religious festivals producing and/or distributing literature to enlighten others about the Orthodox Christian faith.
- * providing services of worship, religious teaching facilities or services to allow believers to practice their faith or follow its doctrines.
- * to maintain St Seraphim's Chapel.
- * maintain the traditions of Orthodox Christianity and to honour Archimandrite David its founder.
- * to promote traditional Orthodox iconography.
- * distribute materials relating to the life and teaching of St Seraphim of Sarov.
- * to develop collections that reflect the heritage of St Seraphim's (held for the benefit of the public and the long term) in a museum environment. To document, preserve, display, interpret, and maximise access to the building, collection and garden, thereby promoting the public's understanding and enjoyment and spiritual growth.

Objectives, strategies and activities

The community payback continue to visit and to maintain the garden.

With the grant of £7,500 received from the Foyle Foundation the trust has been able to complete the refurbishment of the permanent display area.

Work with consultants on the Vision of the trustees was achieved.

Quiet garden days were ongoing over the course of the year and a programme for next year has been compiled. There was an Easter egg hunt, and an annual Garden party, as well as the garden being used for a private anniversary function by a neighbour.

New merchandise has been printed, using resources from the archives.

The trust will be engaged with the Our Heritage project over the next two years, and this includes icon painting classes planned for the next two years.

New windows to replace the worn out upper floor windows have been installed, made as replica replacements of the old windows, in keeping with the railway heritage.

Fundraising disclosures

The trust was awarded an Our Heritage HLF grant of £78,600, for a fixed term volunteer coordinator to increase the volunteer workforce and to set up a permanent display of icons.

Public benefit

Activities undertaken to further public benefit are detailed in the Activities and Achievements paragraphs above.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

St Seraphim's Trust

Trustees Report

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Amendments were made to the governing document on 23rd November 2010 and 27th September 2011.

Major risks and management of those risks

Risk management

The trustees have a duty to identify and review the risks to which the company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees continue to examine and take account of potential risks at each meeting.

Financial Review

Policy on reserves

Free reserves at 30.6.18 amounted to £46,3654 (2017: £40,435).

The trustees consider the organisation needs reserves of £5,000 to be able to continue in operation for 6 months should income generation prove difficult.

The organisation also has a loan from Tridos Bank. The outstanding balance is approx. £3,340. The trustees consider this amount should be retained in order to make the loan repayments as they fall due.

The balance of the reserve is being accumulated for the renovation of the downstairs.

Being able to open a gallery and iconographer's studio would provide a sustained source of income for the organisation.

St Seraphim's Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of St Seraphim's Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 17 December 2018 and signed on its behalf by:

.....
Mr J S Downing
Trustee

St Seraphim's Trust

Independent Examiner's Report to the trustees of St Seraphim's Trust

I report on the accounts of the charity for the year ended 30 June 2018 which are set out on pages 6 to 15 .

Respective responsibilities of trustees and examiner

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

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and 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 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Aleathia Mann
Chartered Accountant

Aleathia Mann Ltd
14 Townsend Court
Reepham
Norwich
Norfolk
NR10 4LD

17 December 2018

St Seraphim's Trust

Statement of Financial Activities for the Year Ended 30 June 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Donations and legacies	3	4,086	61,350	65,436
Other trading activities	4	4,119	-	4,119
Investment income		18	-	18
Other income	5	2,500	-	2,500
Total Income		10,723	61,350	72,073
Expenditure on:				
Charitable activities	6	(8,037)	(5,172)	(13,209)
Total Expenditure		(8,037)	(5,172)	(13,209)
Net income		2,686	56,178	58,864
Net movement in funds		2,686	56,178	58,864
Reconciliation of funds				
Total funds brought forward		180,246	2,325	182,571
Total funds carried forward	15	182,932	58,503	241,435
	Note	Unrestricted funds £	Restricted funds £	Total 2017 £
Income and Endowments from:				
Donations and legacies	3	4,831	24,900	29,731
Other trading activities	4	4,617	-	4,617
Investment income		59	-	59
Other income	5	1,750	-	1,750
Total Income		11,257	24,900	36,157
Expenditure on:				
Charitable activities	6	(35,804)	(31,129)	(66,933)
Total Expenditure		(35,804)	(31,129)	(66,933)
Net expenditure		(24,547)	(6,229)	(30,776)
Net movement in funds		(24,547)	(6,229)	(30,776)
Reconciliation of funds				
Total funds brought forward		204,794	8,554	213,348
Total funds carried forward	15	180,247	2,325	182,572

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note 15.

St Seraphim's Trust
(Registration number: 06287991)
Balance Sheet as at 30 June 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	10	127,362	130,774
Current assets			
Stocks	11	800	565
Debtors	12	6,497	7,390
Cash at bank and in hand		<u>111,112</u>	<u>48,493</u>
		118,409	56,448
Creditors: Amounts falling due within one year	13	<u>(1,297)</u>	<u>(1,262)</u>
Net current assets		<u>117,112</u>	<u>55,186</u>
Total assets less current liabilities		244,474	185,960
Creditors: Amounts falling due after more than one year	14	<u>(3,039)</u>	<u>(3,388)</u>
Net assets		<u>241,435</u>	<u>182,572</u>
Funds of the charity:			
Restricted funds		58,503	2,325
Unrestricted income funds			
Unrestricted funds		<u>182,932</u>	<u>180,247</u>
Total funds	15	<u>241,435</u>	<u>182,572</u>

For the financial year ending 30 June 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on 17 December 2018 and signed on their behalf by:

.....
Mr J S Downing
Trustee

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

1 Charity status

The company is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

St Seraphim's Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated the charities activities.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £300.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost
Furniture and equipment	25% on cost

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted funds		Restricted funds	Total 2018	Total 2017
	Designated £	General £	£	£	£
Donations and legacies;					
Donations from individuals	618	3,468	-	4,086	25,470
Gift aid reclaimed	-	-	-	-	511
Grants, including capital grants;					
Grants from other charities	-	-	61,350	61,350	3,750
	<u>618</u>	<u>3,468</u>	<u>61,350</u>	<u>65,436</u>	<u>29,731</u>

4 Income from other trading activities

	Unrestricted funds	Total 2018	Total 2017
	General £	£	£
Trading income;			
Sales of goods and services	4,119	4,119	4,617
	<u>4,119</u>	<u>4,119</u>	<u>4,617</u>

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

5 Other income

	Unrestricted funds	Total 2018	Total 2017
	General		
	£	£	£
Rental income	2,500	2,500	1,750

6 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
Note	General			
	£	£	£	£
Staff costs	-	200	200	-
Allocated support costs	7,042	4,972	12,014	65,938
Governance costs	995	-	995	995
	8,037	5,172	13,209	66,933

£8,837 (2017 - £35,804) of the above expenditure was attributable to unrestricted funds and £5,172 (2017 - £31,129) to restricted funds.

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2018
	£
Staff costs during the year were:	
Wages and salaries	200

No employee received emoluments of more than £60,000 during the year.

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 July 2017	160,000	6,464	166,464
At 30 June 2018	160,000	6,464	166,464
Depreciation			
At 1 July 2017	29,600	6,089	35,689
Charge for the year	3,200	213	3,413
At 30 June 2018	32,800	6,302	39,102
Net book value			
At 30 June 2018	127,200	162	127,362
At 30 June 2017	130,400	375	130,775

11 Stock

	2018 £	2017 £
Stocks	800	565

12 Debtors

	2018 £	2017 £
Prepayments	-	141
Other debtors	6,497	7,249
	6,497	7,390

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans	300	267
Other creditors	2	-
Accruals	995	995
	1,297	1,262

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

14 Creditors: amounts falling due after one year

	2018 £	2017 £
Bank loans	<u>3,039</u>	<u>3,388</u>

15 Funds

	Balance at 1 July 2017 £	Incoming resources £	Resources expended £	Balance at 30 June 2018 £
Unrestricted funds				
General	(178,837)	(10,105)	8,037	(180,905)
Designated	<u>(1,409)</u>	<u>(618)</u>	<u>-</u>	<u>(2,027)</u>
Total unrestricted funds	(180,246)	(10,723)	8,037	(182,932)
Restricted funds	<u>(2,325)</u>	<u>(61,350)</u>	<u>5,172</u>	<u>(58,503)</u>
Total funds	<u>(182,571)</u>	<u>(72,073)</u>	<u>13,209</u>	<u>(241,435)</u>
	Balance at 1 July 2016 £	Incoming resources £	Resources expended £	Balance at 30 June 2017 £
Unrestricted funds				
General	(203,337)	(10,615)	35,115	(178,837)
Designated	<u>(1,457)</u>	<u>(642)</u>	<u>689</u>	<u>(1,410)</u>
Total unrestricted funds	(204,794)	(11,257)	35,804	(180,247)
Restricted funds	<u>(8,554)</u>	<u>(24,900)</u>	<u>31,129</u>	<u>(2,325)</u>
Total funds	<u>(213,348)</u>	<u>(36,157)</u>	<u>66,933</u>	<u>(182,572)</u>

16 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £	£	£
Tangible fixed assets	127,250	-	112	127,362
Current assets	57,997	2,021	58,391	118,409
Current liabilities	(1,297)	-	-	(1,297)
Creditors over 1 year	<u>(3,039)</u>	<u>-</u>	<u>-</u>	<u>(3,039)</u>
Total net assets	<u>180,911</u>	<u>2,021</u>	<u>58,503</u>	<u>241,435</u>

St Seraphim's Trust

Notes to the Financial Statements for the Year Ended 30 June 2018

17 Analysis of net funds

	At 1 July 2017 £	Cash flow £	At 30 June 2018 £
Cash at bank and in hand	48,493	62,619	111,112
Net debt	<u>48,493</u>	<u>62,619</u>	<u>111,112</u>