

ST THOMAS ECCLESIASTICAL CHARITY

Report and Accounts

31 December 2018

Registered Charity Number: 229807

ST THOMAS ECCLESIASTICAL CHARITY
REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2018

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ST THOMAS ECCLESIASTICAL CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES	Mrs S O'Shea – Chairman Canon S A N Darley The Venerable N Warwick Mr B B Richards Mr K F Shattock Mr C Tippetts The Reverend L Wigmore Mr B Silvey
CLERK TO THE TRUSTEES	Mr C D Jones
PRINCIPAL OFFICE	Diocesan Registry 14 Market Place Wells Somerset BA5 2RE
ACCOUNTANTS	Smith & Williamson LLP Portwall Place Portwall Lane Bristol BS1 6NA
BANKERS	National Westminster Bank plc 32 Corn Street Bristol BS1 1HQ
INVESTMENT ADVISERS	Quilter Cheviot Queens Quay 33-35 Queen Square Bristol BS1 4LU
SOLICITORS	Harris & Harris Diocesan Registry 14 Market Place Wells Somerset BA5 2RE
INDEPENDENT EXAMINER	Fiona Westwood FCA Smith & Williamson LLP Portwall Place Portwall Lane Bristol BS1 6NA

ST THOMAS ECCLESIASTICAL CHARITY

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2018

The Trustees have pleasure in presenting this Report, together with the Accounts of the Charity, for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 published on 16 July 2016.

Objectives and activities for the public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Charity carries out its objects by providing grants to support the Church of England in the City of Bristol in enhancing the scope and relevance of its ministry in the City.

Grant Making Policy

The Charity invites applications for funding of projects. Institutional applicants are required to submit a summary of their proposals in a specific format. Applications are reviewed by a full meeting of Trustees against the objectives of the Scheme.

A review of our achievements and performance: How our grants delivered public benefit

The business of the Trustees was transacted at meetings held on 16 April 2018 and 1 October 2018.

Income from property and investments enabled the Trustees to make one-off grants for various projects in Bristol as detailed in note 3 to the accounts.

The Charity Commission Scheme dated 21st April 1989 ('the Scheme') which governs the Charity provides that the Charity shall apply its income (less the expenses set out in the Scheme) in furthering the religious and other charitable work of the Church of England in the City of Bristol in such ways as the Trustees in consultation with the Bishop for Bristol from time to time think fit with a preference for the Ecclesiastical Parish of St Mary, Redcliffe with Temple and St John the Baptist, Bedminster, Bristol.

Given the discretion provided by the Scheme, the Trustees focus on supporting the initiatives of churches and bodies in those parts of the City of Bristol where there is the greatest need. The Trustees have placed emphasis on providing seed funding - to support the new and fledgling projects - with a policy of tapering support where a grant application is received in subsequent years to reflect the increased availability of funding for more established projects.

The following Grants were made:

- (a) £1,422.00 to Changing Tunes that uses music and mentoring to help people lead meaningful lives, free from crime in Bristol.
 - (b) £20,000.00 to St Edyth's Church, Sea Mills, to employ a youth and children's worker to work with and support local primary schools.
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ST THOMAS ECCLESIASTICAL CHARITY

TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2018

(c) £5,000.00 to Crisis Centre Ministries towards the funding of a winter shelter and help for vulnerable and homeless people in Bristol.

(d) £3,120.00 St Paul's Bedminster to improve the lighting and security arrangements of the graveyard to enhance the community access, facilitate tending of the graves, and reduce anti-social behaviour.

Monitoring Achievement

On the making of a grant, one of the Trustees is tasked to oversee the work of the recipient for the duration of the grant period. The Trustees endeavour to assign a Trustee to a project who has the background and skills to provide support and mentor a project as required. Time is allocated for the Trustee to provide a report on the work of the project at their twice-yearly meetings. Trustees regularly visit projects and attend project events for the duration of period of support. In many cases that support is ongoing once grant support has ended.

The Trustees require all grant recipients to provide the Charity with an annual written report about the project that has been supported, including the benefits and outcomes achieved.

The Trustees monitoring the grant recipients gave verbal reports at the Trustees meetings in April and October 2018. All grant recipients during the previous accounting period completed Annual Report forms which were also considered by the Trustees at those meetings.

Investment Policy and Performance

Under the Scheme, the Trustees may invest the funds of the Charity in such investments as are authorised by the Trustee Act 2000, subject to the restrictions and conditions contained in that Act.

The Trustees' policy is to maintain the real value of the income arising over the long-term by investment in a portfolio of properties, equities, fixed interest stocks and cash.

With regard to the Charity's portfolio of equities and fixed interest stocks, the Trustees have assumed a medium level of risk with a moderate capacity for loss. That objective has been set to provide a balance of return between income and capital growth to enable tolerance to some fluctuations in capital value and/or income.

The investment portfolio had a Capital return of -8.9% and Income return of 2% for the year giving a total return of -6.9%. The main reason for this level of return was the decision to draw the investments in line with the Church of England Ethical Investment Policy. Subsequent performance of the portfolio has been much more in line with previous years.

During the year, the properties at 25-31 Victoria Street were revalued to £800,000 in preparation for sale.

Risk Management

The Trustees have reviewed the major risks to which the Charity is exposed, as identified by them, and confirm that they have established systems to reduce those risks.

ST THOMAS ECCLESIASTICAL CHARITY

TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2018

Reserves Policy

The Trustees' policy is to maintain general unrestricted funds at a level equal to approximately one year's income. This policy acknowledges the uncertainty associated with deriving income from investment properties in the retail and service sector.

At 31 December 2018, reserves amounted to £164,060 (2017: £130,739), which is approximately equivalent to 18 month's income. The Trustees will take this into consideration when making future grants.

The Trustees also maintain a designated fund known as the Property Repairs Reserve. At 31 December 2018 the balance was £30,573 (2017: £24,760). The purpose of the Reserve is to avoid the distortion which might otherwise occur when large repairs are carried out in any particular year to four investment properties owned by the Charity which are approximately 400 years old and which therefore require a significant level of maintenance. During the current year, £16,616 (2017 - £24,426) was spent on property costs.

Structure, governance and management

The affairs of the Charity are regulated by a Scheme of the Charity Commissioners for England and Wales of 21 April 1989 ("the Scheme"), which provided for a number of ecclesiastical charities in the ancient parish of St Thomas to be amalgamated and managed together as one charity known as the St Thomas Ecclesiastical Charity. The Scheme provides for the income of the Charity, after payment of administrative expenses, to be applied in furthering the religious and other charitable work of the Church of England in the City of Bristol in such ways as the Trustees in consultation with the Bishop of Bristol from time to time think fit, with a preference for the ecclesiastical parish of St Mary Redcliffe with Temple and St John the Baptist Bedminster, Bristol.

The Charity Trustees from 1 January 2018 up to and including the date of this Report are the following persons:

Mrs S O'Shea – Chairman

Canon S A N Darley

The Venerable C Froude (Bishop of Bristol's representative) (resigned 30 September 2018)

The Venerable M Johnson (appointed 1 October 2018, resigned 14 July 2019)

The Venerable N Warwick (Bishop of Bristol's representative) (appointed 7 October 2019)

Mr B B Richards

Mr K F Shattock

Mr C Tippetts

The Reverend L Wigmore

Mr B Silvey

The Scheme noted above provides for a body of eight Trustees, one of whom is to be appointed by the Bishop of Bristol, the remainder being co-opted by the existing Trustee body. New Trustees are introduced at board meetings and are provided with the necessary information regarding the Charity.

The Trustees were incorporated by a Certificate of the Charity Commissioners sealed on 1 November 1993. The charity registration number is 229807.

ST THOMAS ECCLESIASTICAL CHARITY

TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2018

Key management personnel remuneration

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year.

Signed for and on behalf of St Thomas Ecclesiastical Charity


.....


Trustee

Name: SANDRA O'SHEA

.....

Trustee

Name:


.....

Clerk to the Trustees

Date: 7 October 2019

ST THOMAS ECCLESIASTICAL CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 DECEMBER 2018

The Trustees are responsible for preparing the Trustees' Report and accounts in accordance with applicable law and regulations.

Law applicable to Charities in England and Wales requires the Trustees to prepare accounts for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that 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 Charity and of the incoming resources and application of resources of the Charity for that period. In preparing those accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts & Reports) Regulations 2008 and the provisions of the Scheme of the charity commissioners. 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.

ST THOMAS ECCLESIASTICAL CHARITY

INDEPENDENT EXAMINER'S REPORT

YEAR ENDED 31 DECEMBER 2018

Independent examiner's report to the Trustees of St Thomas Ecclesiastical Charity

I report on the accounts of the St Thomas Ecclesiastical Charity ("The Charity") for the year ended 31 December 2018, which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

Respective responsibilities of Trustees and examiner

As the Charity's Trustees, you are responsible for the preparation of the accounts. You consider that an audit is not required for this year under section 144 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 145 of the 2011 Act, follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) 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 Act

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.

Signature:

Fiona Westwood FCA



Relevant professional qualification or body:

FCA

Address:

Smith & Williamson LLP
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Date: 8 October 2019

ST THOMAS ECCLESIASTICAL CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2018

		Unrestricted		Endowment	Total	Total
		(General)	(Designated)	Funds	2018	2017
	Note	£	£	£	£	£
INCOME						
Income from investments	2	113,027	-	-	113,027	109,493
EXPENDITURE						
Expenditure on raising funds		-	-	(1,595)	(1,595)	(1,394)
Expenditure on charitable activities						
- Grants payable	3	(29,542)	-	-	(29,542)	(75,750)
- Property costs	4	(12,429)	(4,187)	-	(16,616)	(24,426)
- Accountancy and legal costs	5	(27,735)	-	-	(27,735)	(30,568)
COST OF GRANT MAKING		(69,706)	(4,187)	-	(73,893)	(130,744)
TOTAL EXPENDITURE		(69,706)	(4,187)	(1,595)	(75,488)	(132,138)
Net gains/(losses) on investments		-	-	87,133	87,133	35,159
NET INCOME/EXPENDITURE		43,321	(4,187)	85,538	124,672	(22,699)
TRANSFERS BETWEEN FUNDS		(10,000)	10,000	-	-	-
NET MOVEMENT IN FUNDS		33,321	5,813	85,538	124,672	12,460
TOTAL FUNDS BROUGHT FORWARD		130,739	24,760	1,961,496	2,116,995	2,104,535
TOTAL FUNDS CARRIED FORWARD		164,060	30,573	2,047,034	2,241,667	2,116,995

The notes on pages 10 to 14 form part of these accounts

ST THOMAS ECCLESIASTICAL CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Investments	6	2,128,644	2,051,762
CURRENT ASSETS			
Debtors	7	24,255	22,577
Cash at bank and in hand		128,005	106,329
		152,260	128,329
CREDITORS: Amounts falling due within one year	8	(39,237)	(63,673)
NET CURRENT ASSETS		113,023	65,233
TOTAL ASSETS LESS CURRENT LIABILITIES		2,241,667	2,116,995
NET ASSETS		2,241,667	2,116,945
FUNDS			
<u>Restricted Funds</u>			
Endowment fund	9	2,047,034	1,961,496
<u>Unrestricted Funds</u>			
General funds	9	164,060	130,739
Designated funds	9	30,573	24,760
		2,241,667	2,116,995

Approved by the Trustees on 7 October 2019 and signed on their behalf by

.....  Trustee

..... Trustee

Name: SANDRA O'SHEA

Name:

The notes on pages 10 to 14 form part of these accounts

ST THOMAS ECCLESIASTICAL CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2018

1 ACCOUNTING POLICIES

Accounting convention

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2016 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Investments

Fixed asset investments comprise investment properties held for rental purposes, and quoted investments. All quoted investments are held in the United Kingdom at market value with unrealised gains or losses forming part of the statement of financial activity. Investment properties are revalued regularly to market value.

Income

Rental income is accounted for on the accruals basis. Consequently, where rent is received in advance at the year end it is treated as deferred income. Other investment income is accounted for in the period in which the charity is entitled to receipt.

Resources expended

Expenditure is included on the accruals basis.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustees meetings and of any legal advice to trustees on governance or institutional matters.

Fund accounting

Details of the nature and purpose of each fund is set out in note 9.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

2 INCOME FROM INVESTMENTS

	2018	2017
	£	£
Rental income	100,310	94,880
Dividend income	12,717	14,559
	<u>113,027</u>	<u>109,439</u>

ST THOMAS ECCLESIASTICAL CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2018

3 GRANTS PAYABLE

The amounts payable in the year comprise:-

Name of Institution	2018	2017
	£	£
St Luke's Barton Hill	-	10,000
St Edyth's Church Sea Mills	20,000	-
One 25 Limited	-	5,000
Hope's Place	-	1,000
Crisis Centre Ministries	5,000	-
Changing Tunes	1,422	5,000
MentorMe	-	10,000
St Peter's Bishopsworth	-	7,500
YMCA	-	10,000
The Rock Community Centre	-	10,000
Bristol NOISE	-	10,000
St Andrews Church	-	7,250
St Paul's Bedminster	3,120	-
	<u>29,542</u>	<u>75,750</u>

All grants payable are payable to institutions rather than individuals.

	2018	2017
	£	£
Reconciliation of grants payable:		
Commitments at 1 January	25,000	53,844
Commitments made in the year	29,542	75,750
Grants paid during the year	(54,542)	(104,594)
Commitments at 31 December	<u>-</u>	<u>25,000</u>

Commitments at 31 December are payable as follows:

Within one year (Note 8)	-	25,000
	<u>-</u>	<u>25,000</u>

ST THOMAS ECCLESIASTICAL CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2018

4 PROPERTY COSTS

	2018 £	2017 £
Insurance	9,253	10,188
Building works	7,363	14,238
	<u>16,616</u>	<u>24,426</u>

5 ACCOUNTANCY AND LEGAL COSTS

	2018 £	2017 £
Independent examination	1,650	1,650
Other accountancy fees	13,158	8,334
Legal fees	12,650	20,584
Sundry expenses	277	-
	<u>27,735</u>	<u>30,568</u>

6 INVESTMENTS

	UK Investment Property	UK Listed Securities	2018	2017
Analysis of movement on investments during the year	£	£	£	£
Market value at 1 January 2018	1,460,000	591,762	2,051,762	2,042,301
Additions at cost	-	116,742	116,742	156,823
Disposals at carrying value	-	(104,768)	(104,768)	(128,774)
Net gain/loss on revaluation	140,000	(75,092)	64,908	(18,588)
	<u>1,600,000</u>	<u>528,644</u>	<u>2,128,644</u>	<u>2,051,762</u>

The property was revalued to market value during the year in preparation for an intended sale

The market value for listed investments is based on the broker's valuation at the end of the year. There have been no significant reductions in market values of the investments since the year end.

Investments exceeding 5% of the portfolio were as follows:

	2018 £	2017 £
Penner Wharf, Redcliffe Street, Bristol	800,000	800,000
25-31 Victoria Street, Bristol	800,000	660,000

ST THOMAS ECCLESIASTICAL CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2018

7 DEBTORS

	2018 £	2017 £
Other debtors	24,255	22,577
	<u>24,255</u>	<u>22,577</u>

8 CREDITORS: amounts falling due within one year

	2018 £	2017 £
Accruals	30,112	29,548
Deferred income	9,125	9,125
Grants payable	-	25,000
	<u>39,237</u>	<u>63,673</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Property Reserve £	Endowment Fund £	Total £
Fixed Assets	81,610	-	2,047,034	2,128,644
Current Assets	121,687	30,573	-	152,260
Current Liabilities	(39,237)	-	-	(39,237)
At 31 December 2018	<u>164,060</u>	<u>30,573</u>	<u>2,047,034</u>	<u>2,241,667</u>

The Property Reserve is money set aside to provide for the upkeep of properties owned by the Charity. At least £10,000 is transferred to this reserve from general unrestricted funds each year. In the prior year, £10,000 was transferred.

The endowment fund represents those assets which must be held permanently by the Charity, principally investments. Income arising on the endowment fund 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.

Movements on the funds are analysed on the face of the Statement of Financial Activities.

10 RELATED PARTY TRANSACTIONS

None of the Trustees received any remuneration for their services or reimbursement of expenses (2017: None). There were no other related party transactions not already disclosed in these accounts (2017: None).

ST THOMAS ECCLESIASTICAL CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2018

11 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted (General) £	Unrestricted (Designated) £	Endowment Funds £	Total 2017 £	Total 2016 £
INCOME						
Income from investments		109,439	-	-	109,439	106,975
EXPENDITURE						
Expenditure on raising funds		-	-	(1,394)	(1,394)	(1,296)
Expenditure on charitable activities						
- Grants payable		(75,750)	-	-	(75,750)	(69,344)
- Property costs		(23,837)	(589)	-	(24,426)	(22,484)
- Accountancy and legal costs		(30,568)	-	-	(30,568)	(24,919)
COST OF GRANT MAKING		(130,155)	(589)	-	(130,744)	(116,747)
TOTAL EXPENDITURE		(130,155)	(589)	(1,394)	(132,138)	(118,043)
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(20,716)	(589)	(1,394)	(22,699)	(11,068)
Net gains on investments		-	-	35,159	35,159	433,076
TRANSFERS BETWEEN FUNDS		(10,000)	10,000	-	-	-
NET MOVEMENT IN FUNDS		(30,716)	9,411	33,765	12,460	422,008
TOTAL FUNDS BROUGHT FORWARD		161,455	15,349	1,927,731	2,104,535	1,682,527
TOTAL FUNDS CARRIED FORWARD		130,739	24,760	1,961,496	2,116,995	2,104,535