

Charity registration number 1168717

**ST. CLEMENT DANES CHURCH FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# ST. CLEMENT DANES CHURCH FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Air Vice-Marshal Al Gillespie - Chairman Mrs D Patman Mrs C Opie Prof M Russell-Westhead The Venerable (Air Vice Marshal) J Ellis The Venerable (Air Vice Marshal) G Legood Rev (Wg Cdr) Ashley Mitchell Rev (Wg Cdr) David Northfield Group Captain John Hetherington	Appointed June 2022 Resigned July 2022 Appointed July 2022 Resigned June 2022 Resigned September 2022
<b>Principal Officers</b>	Flight Lieutenant Ellie Hinks - Secretary Flight Lieutenant Dave France - Treasurer	
<b>Charity number</b>	1168717	
<b>Registered office</b>	St. Clement Danes Church The Strand WC2R 1DH	
<b>Independent examiner</b>	Haines Watts High Wycombe Limited Oakingham House Frederick Place High Wycombe HP11 1JU	
<b>Bankers</b>	Holts Military Banking The Royal Bank of Scotland plc Lawrie House Victoria Road Farnborough GU14 7NR	
<b>Investment Managers</b>	Investec Wealth & Management 2 Gresham Street London EC2V 7QP	

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# ST. CLEMENT DANES CHURCH FUND

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# ST. CLEMENT DANES CHURCH FUND

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Fund's charitable scheme, applicable law and the requirements of the Declaration of Trust dated 12 July 1956, the 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 issued in July 2014.

#### History

St Clement Danes Church was destroyed by fire in May 1941 and rebuilt, largely by public subscription, in 1958. The church was re-consecrated on 19 October 1958 as the Central Church of the Royal Air Force.

The Diocese of London delegated authority to the Air Council (now the Air Force Board) to make use of the Church, at no fee to the Air Council, subject to the agreement that 'the Air Council shall be wholly responsible for the repair and maintenance and insurance of the Church (including the curtilage thereof) and its fittings and contents and performance of services and ceremonies therein.'

#### Legal Status

The St Clement Danes Fund, registered charity number 250350 was superseded by CIO named St Clement Danes Church Fund ('the Fund'), registered charity number 1168717 on 1 April 2018. The charity remains governed under the terms of the following documents:

- Agreement made between the London Diocesan Fund and the Air Council dated 20 October 1958;
- The Declaration of Trust dated 12 July 1956 and the Charity Commission Scheme dated 27 May 1994 as amended 1997, 1998, 2004, 2006 and 2016.

#### Governance

The Fund Scheme determines that the Trustee Body consists of two ex-officio trustees and up to eight co-opted trustees. The two ex-officio trustees at the time of these annual accounts held the following positions

- Chaplain-In-Chief (RAF)
- Chairman of the Friends of St Clement Danes (temporarily gapped)

The Fund Scheme requires Trustees to meet at least twice per year with a quorum being achieved with three members. An independent investment adviser attends meetings to provide Trustees with the specialist information they require to judge past portfolio performance and to plan future investment strategy. The Trustees are also supported by the Chaplaincy Council, which provides the structure and governance for the day-to-day running of the Church.

Meetings were chaired throughout the financial year in question by the Chairman, Air Vice Marshal Al Gillespie, to discuss the strategic direction of the maintenance and improvement of the fabric and facilities of the Church including; investment performance; the management of risk; fundraising; and comprehensive updates from Church management with regards to matters of the moment. In addition, where appropriate, matters are also dealt with by Trustees ex-Committee to ensure continuity of governance.

The Trustees have constituted a Finance Committee and an Estate Committee for which they have set clear terms of reference and from which they receive regular reports on their activities.

#### The Finance Committee

Trustees delegate the oversight of all financial operations and for ensuring the Fund's short and long-term viability to the Finance Committee. The Finance Committee meets at least biannually to implement the financial strategy of the Fund and to oversee the management, investment and disbursement of this strategy within the constitution of the Fund.

# ST. CLEMENT DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### The Estate Committee

The Church, listed Grade 1 by Historic England, was rebuilt in 1682 to a design by Sir Christopher Wren with the steeple added in 1719 by James Gibb.

In order to meet the obligations set by the Diocese of London, the Trustees delegate the oversight of the repair, maintenance, improvement, health & safety and other statutory compliance of the Church including its curtilage to the Estate Committee. It achieves this by commissioning quinquennial inspections and other surveys by appropriate independent professional consultants to inform and prioritise proactive planned maintenance and repair. This process also helps identify structural or operational deficiencies allowing more focused financial budgeting. An example being the Trustees decision to obtain advice, quotations and Faculty consent for taking down and rebuilding the steeple to remedy defects in the existing construction and mitigate further damage and health & safety risks. This project, subject to funding, is ready to be implemented and will take approximately 18 months to complete.

The Trustees have future plans for improving the facilities of the Church by excavating and expanding the Crypt at the eastern end subject to the necessary approvals and funding. A workshop to develop the feasibility and brief was held in December 2022 facilitated by the Prince's Foundation. This followed invasive internal and external investigation works carried out under Faculty with professional supervision and a watching brief by the Museum of London Archaeological Service to assess the viability of the project. The Trustees have been working closely with Westminster City Council and the Northbank Business Improvement District (BID) Project Team involved with the pedestrianisation and traffic management changes to the Aldwych/Strand area of which the Church forms part.

The Estate Committee meet at least biannually and as required where major projects are proposed.

### Connected Charities

Nil

### Induction and Training of Trustees

All new Trustees receive an induction pack that covers the Charity Commission's requirements (including annual reports & financial statements, minutes of meetings and strategic development/business plans). Trustees are invited to attend training courses and, as a minimum, are recommended to attend the Trustee Training Course.

The course covers the following subjects;

- What is involved in good governance in relation to Trustee responsibilities;
- The role of Trustees and their duties;
- Information needs of Trustees;
- Understanding charity finance;
- Relationship between Trustees and the Chair.

Further trustee training is provided as required, on an on-going basis.

### Statement of Risk

The Trustees review the major risks facing the Fund as part of the annual business planning process. The Trustees continue to work to identify significant risks to the Fund and to implement procedures to both mitigate risk and to minimise potential impact should risks materialise.

Top 3 risks are:

1. Lack of available funding to complete required maintenance of the Church whilst maintaining the longer-term future of the Fund. **Mitigation** - Trustees review capital requirements and obtain external advice to ensure appropriate fundraising strategy employed as necessary. Sufficient reserves agreed and maintained within Fund to ensure core expenditure requirements continue to be achieved. Development Director appointed with a primary role of fundraising and increasing event income.

# ST. CLEMENT DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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2. Income is inadequate for regular commitments. **Mitigation** - Scrutiny of budget by Finance Committee at least biannually to identify potential income shortfalls & adjust accordingly. Fixed agenda item for Trustees' Meeting. Review of investment performance by Finance Committee and Independent Financial Advisor annually.
3. Loss of Trustees/Trustee Board lacking in appropriate expertise. **Mitigation** - Trustee induction and ongoing training. Review of trustee rotation and succession planning. Competence framework for Committee and Board.

The Trustees are satisfied that the arrangements for managing these risks are adequate and subject to sufficiently rigorous monitoring and control.

The Fund operates systems of internal control which are designed to provide reasonable assurance against material misstatement or loss. They include:

- An annual operating budget which is approved and reviewed by the Trustees;
- Regular consideration by the Trustees of financial results against the budget and other indicators;
- Regular consideration by the Trustees of Investment Management results against benchmarks;
- Delegation of day-to-day management authority and segregation of duties.

#### Statement of Public Benefit

St Clement Danes provides a benefit to the public, the Royal Air Force personnel, families and veterans with the necessary spiritual and pastoral wellbeing to carry out the Royal Air Force contribution to the Defence of the United Kingdom and its interests.

St Clement Danes promotes military efficiency by underpinning esprit de corps and fostering the character, spirit and attitude required to face challenges and danger associated with military service. As a result, the Fund derives a benefit to the general public in helping to provide personnel who are motivated, have high morale and are willing to serve the needs of their country and that of its public, at all times.

St Clement Danes is a national Memorial of Remembrance, housing the unique handwritten Books of Remembrance which record the names of all service personnel who have paid the supreme sacrifice since the formation of The Royal Flying Corps in 1912. These books are on public display for all to view and pay their respects to the fallen.

As a premier example of a Grade 1 listed Sir Christopher Wren Church, the church is open every day except Bank Holidays, to enable the public to learn the history and heritage of Wren's architecture, London's history and the history of the Royal Air Force. The church is open to all for private prayer, contemplation and also holds regular services three times per week.

When planning the Church's activities, the Trustee Board members have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

#### Aims

The vision of the Church which is supported by the Fund is to:

'Be a living Royal Air Force memorial for both the Service and the Nation as well as a symbol of the abiding courage and spiritual fortitude of Royal Air Force personnel.'

#### Performance and Achievement

In the wake of the global pandemic, it is encouraging that notable advancements have occurred within the Central Church of the Royal Air Force (RAF), resulting in an increase in its congregational size. Both members of the public and RAF personnel have sought solace and attended services in growing numbers. The RAF community have continued to be provided with spiritual and pastoral support, including baptisms, weddings, prominent funerary ceremony, memorial services, and dedicated care.

# ST. CLEMENT DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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Significant efforts have been made to enhance the visibility of SCD. Consequently, there has been an increase in visits from various RAF units, with a particular focus on developing Spiritual Resilience. Notably, the integration of RAF Music Services into thematic church services has garnered substantial support. Examples of such services include Education Sunday, the Polish Act of Remembrance, and the Combined Cadet Force 75 years Evensong. Among the many noteworthy occasions, the Community Cross of Nails Service with the presence of the Dean of Coventry and the Dean of the Deanery of Darmstadt, the gathering of the WAAF / WRAF / RAF Widows Association, the annual RAF Roman Catholic Mass, the RAF Formation Service, the thanksgiving service to remember those who have died over the past year in service, deserve special mention. Additionally, important events such as Remembrance Sunday, the Battle of Britain commemoration, the Sandakan Act of Remembrance, 617 Sqn (The Dambusters) service for its actions during Op Chastise including the presence of Wing Commander Guy Gibson's Victoria Cross. The St Clement Danes Senior School Service, the Benevolent Fund Carol Concert, the Friends of St Clement Danes Carol Service, Midnight Mass, and the Air Cadet Service have further exemplified the breadth and depth of our spiritual offerings.

To align working practices, the Information Technology Infrastructure has undergone a reinvigoration process to enhance adaptability and integration. Concurrently, an assessment of the workforce and organisational framework is in progress. Once these modifications have been fully integrated, the team and the church will experience substantial improvements in their productivity.

In May 2022, the Reverend Mark Perry assumed the position of Resident Chaplain. He has engaged in fruitful collaborations with various stakeholders resulting in significant strides in enhancing the worship, spiritual life, and overall sense of community within St Clement Danes Church. This is encouraging progress, particularly considering the challenges that had been posed by the global pandemic.

#### **Development Office**

The last financial period has remained challenging with the effects of post Covid, the Ukraine War and cost of living crisis all effecting the climate for fundraising within the sector.

The 1941 Appeal visionary document was prepared and launched in a private phase at the RAF Formation Service in April 2022, with the priority to raise funds for the restoration of the 1719 James Gibbs Gothic Steeple, whilst development of the scoping plans for the Crypt enlargement and exterior curtilage restoration are on-going.

The principle aim of the private launch was to engage with and garner support from within the RAF for the 1941 Appeal. This development work continues.

Supporter acquisition has been a priority, with the donor database growing to just over 1500 supporters, social media portals have 1,400 followers and both these areas are a focus to develop and increase for the next financial period.

The strategic objectives for the Development Office are to focuss their efforts on building the network and relationships with grant giving organisations, potential major donors and philanthropists. Additionally building links with potential partner charities and organisations both within the RAF family and externally to support the vision for the provision of welfare support to veterans through the 1941 Appeal.

#### **Investment Performance**

The market value of the Fund's investment portfolio at 31 March 2023 was £862,790 (2022: £926,063). There were no additional investments and no funds were drawn down during the year. The portfolio is managed on behalf of the Fund by Investec Wealth and Management.

# ST. CLEMENT DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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The Fund's portfolio is monitored by the Trustees who regularly seek professional investment advice from a third party. The current investment objectives of the Fund are

- To maintain a medium to low risk balanced portfolio that sees 65% of the investment in Equities, 25% in Bonds and 10% in Property;
- To measure the performance against the following benchmarks:
  - UK Equity Funds - FTSE All-share Index.
  - Overseas Equity Funds – FTSE World Excl UK
  - Corporate Bond Funds - Merrill Lynch Sterling Non Gilts Index.
  - Property - IPD Property Fund Average (Commercial Property).
- To achieve an appropriate agreed investment income target from the portfolio

For the year to March 2023, the portfolio posted a return of -3.67% against the benchmark of -3.34% (2022: posted a return of 10.00% against the benchmark of 9.69%). Income of £27,817 was achieved (2022: £26,944); this is not against a budget or target.

#### Remuneration Policy

Those who give their time do so voluntarily in order to develop themselves, add benefit to the Service and provide additional capacity.

#### Financial Review

Overall the Fund's income for the year increased slightly over the previous year: £301,414 in 2023 compared to £264,147 in 2022. There are two main reasons for this.

Donations increased by almost 20%, reflecting both increased footfall for visitors to the Church and an increasing awareness of the 1941 Appeal to fund significant capital works.

Special Services income increased by over 60%, from £47,057 in 2022 to £75,941 in 2023. This reflects the continued uplift in the number of events as confidence continues to return following the COVID pandemic.

The Fund additionally receives public support through the utilisation of Ministry of Defence employees. The Fund assigns an estimated value to the support provided, which is recognised as a gift in kind as noted within notes 3 and 8 to the accounts.

Expenditure was again slightly below the budget, despite showing a small increase on the previous year (2023: £403,908, 2022: £395,125). Maintenance costs reduced reflecting the return to normal routine preventative maintenance following a year of catching up after COVID closures. Cost relating to Special Services showed a significant increase, reflecting the additional activity and increased income in this area. Information regarding the Fund's expenditure can be found within notes 6 and 7.

Total funds decreased to £1,012,769 (2022: £1,175,422) as a result of running costs expenditure significantly exceeding income, and conflated by a decrease in the value of investment assets of £63,159.

#### Reserves

The Trustees have set a target for the unrestricted reserve level of £100,000 to ensure short-term liquidity and adequate working capital are maintained.

#### Investments

The Fund maintains a neutral ethical investment policy to such an extent deemed possible by the continued investment within pooled funds.

Additionally, on 2 July 2015 the following ethical statement was introduced to the fund: The Charity has the right to exclude investing in companies whose activities act contrary to the Charity's aims and objectives. As the Charity has decided to hold pooled investments, the Trustees acknowledge that they need to be pragmatic with regard to ethical investments and therefore have no current exclusions in place. However, they reserve the right to add exclusions in future as appropriate.



# ST. CLEMENT DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees continue to work closely with the investment manager, taking into consideration their view of market prospects when they consider expenditure requirements and reviewing the investment strategy.

The investment is subject to ongoing regular review to ensure it continues to adequately represent the current and future needs of the Fund.

### Plans for future periods

The 1941 Appeal will remain the main focus of the plans for the foreseeable future, with the restoration of the Steeple the priority. It has been confirmed that the fragility of the steeple and the delay to securing funding for restoration will see SCD Church added to Historic England's "At Risk Register" in late 2023.

Engagement with the RAF Executive Committee has commenced to investigate alternative funding options to refurbish the steeple.

The development Office will seek to develop relationships with the support of senior RAF personnel with potential Major Donors, Philanthropists & grant giving organisations in preparation for future applications in support of the 1941 Appeal, whilst continuing to drive supporter acquisition and public engagement through events and tours.

### Statement of Trustees' Responsibilities

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Fund and of the incoming resources and application of resources of the Fund for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently; and
- Comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements; and
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue to operate.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the Trust Deeds. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees


Chairman,



Board of Trustees

Date

11 Jan 24



Trustee

Chairman Finance Committee

Date

8 Jan 2024

# ST. CLEMENT DANES CHURCH FUND

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF ST. CLEMENT DANES CHURCH FUND

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I report to the charity trustees on my examination of the financial statements of St Clement Danes Church Fund for the year ended 31 March 2023 which are set out on pages 8 to 21.

#### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

Having satisfied myself that the financial statements of the charity are not required to be audited under section 144 of the 2011 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act.

#### Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Gary Heywood (ACA)

For and on behalf of Haines Watts High Wycombe Limited  
Oakingham House, Frederick Place, High Wycombe, Buckinghamshire, HP11 1JU

Dated: 12/01/2024

# ST. CLEMENT DANES CHURCH FUND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

### Current financial year

		Unrestricted funds	Designated funds	Restricted funds	Total
	Notes	2023 £	2023 £	2023 £	2023 £
<b><u>Income from:</u></b>					
Donations and legacies	3	162,493	-	35,163	197,656
Charitable activities (Income)	4	75,941	-	-	75,941
Investments	5	27,817	-	-	27,817
<b>Total income</b>		<b>266,251</b>	<b>-</b>	<b>35,163</b>	<b>301,414</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	34,326	-	1,546	35,872
Charitable activities	7	362,496	5,340	200	368,036
<b>Total resources expended</b>		<b>396,822</b>	<b>5,340</b>	<b>1,746</b>	<b>403,908</b>
Net losses on investments	11	(60,159)	-	-	(60,159)
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(190,730)</b>	<b>(5,340)</b>	<b>33,417</b>	<b>(162,653)</b>
Gross transfers between funds		190,730	(190,730)	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>(196,070)</b>	<b>33,417</b>	<b>(162,653)</b>
Fund balances at 1 April 2022		100,000	1,043,717	31,705	1,175,422
<b>Fund balances at 31 March 2023</b>		<b>100,000</b>	<b>847,647</b>	<b>65,122</b>	<b>1,012,769</b>

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

All income and expenditure derive from continuing activities.

# ST. CLEMENT DANES CHURCH FUND

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Investments	12		862,790		926,063
<b>Current assets</b>					
Stocks	13	5,190		-	
Debtors	14	12,006		12,431	
Cash at bank and in hand		159,006		263,049	
		<u>176,202</u>		<u>275,480</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(26,223)</u>		<u>(26,121)</u>	
Net current assets			<u>149,979</u>		<u>249,359</u>
<b>Total assets less current liabilities</b>			<u>1,012,769</u>		<u>1,175,422</u>
<b>Income funds</b>					
Restricted funds	19		65,122		31,705
Endowment funds - Designated funds	20		847,647		1,043,717
Unrestricted funds	20		100,000		100,000
			<u>1,012,769</u>		<u>1,175,422</u>

The financial statements were approved by the Trustees on ...8...Jan...2024

...Clpie.....

Trustee

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

St. Clement Danes Church Fund is a registered charity in the United Kingdom. The address of the registered office is given in the Trustees' report of these financial statements. The nature of the Charity's operations and principal activities is to raise money for the maintenance of St Clement Danes Church and support the day to day running of the Church for the benefit of all members of the Royal Air Force, past and present.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the accounts.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of reclaim.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised on an accruals basis as a liability is incurred. Charitable expenditure comprises those costs incurred by the Charity in delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to those activities and those costs of indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and accountancy costs linked to the strategic management of the Charity.

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donated services	131,152	-	131,152	133,421	-	133,421
Donations	28,606	-	28,606	23,170	-	23,170
Bequests and legacies	1,000	-	1,000	2,251	-	2,251
Memorial books	640	-	640	280	-	280
Badges	1,095	-	1,095	1,084	-	1,084
1941 Appeal	-	35,163	35,163	-	29,940	29,940
	<u>162,493</u>	<u>35,163</u>	<u>197,656</u>	<u>160,206</u>	<u>29,940</u>	<u>190,146</u>

### 4 Charitable activities (income)

	Special services 2023	Special services 2022
	£	£
Services within charitable activities	<u>75,941</u>	<u>47,057</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Dividends	27,029	26,913
Interest receivable	788	31
	<u>27,817</u>	<u>26,944</u>



# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 6 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2023	2023	2023	2022
	£	£	£	£
<u>Fundraising and publicity</u>				
1941 Appeal	2,488	1,546	4,034	7,008
Fundraising costs	2,348	-	2,348	8,592
Unit badges	900	-	900	625
Investment manager fee	4,134	-	4,134	3,263
Memorial books	1,039	-	1,039	212
Raising voluntary income	23,417	-	23,417	24,558
	<u>34,326</u>	<u>1,546</u>	<u>35,872</u>	<u>44,258</u>

#### 7 Charitable activities

	2023	2022
	£	£
Standard and special services	15,499	1,040
Choir fees	38,155	37,393
Director of music fees	35,210	33,118
Organist's fees	-	1,426
Outreach	7,797	-
Insurance	2,822	3,049
Utilities	18,816	11,605
Cleaning	7,707	5,739
Maintenance	29,590	43,208
Major refurbishment	5,340	12,879
Travel and subsistence	4,165	1,926
	<u>165,101</u>	<u>151,383</u>
Share of support costs - Special services (see note 8)	47,533	41,037
Share of support costs - Standard services (see note 8)	132,384	133,099
Share of governance costs (see note 8)	23,018	25,348
	<u>368,036</u>	<u>350,867</u>
<b>Analysis by fund</b>		
Unrestricted funds	362,496	346,013
Designated funds	5,340	4,854
Restricted funds	200	-
	<u>368,036</u>	<u>350,867</u>

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 8 Support costs

	Support costs	Governance costs	2023 Support costs		Governance costs	2022
	£	£	£	£	£	£
Staff costs - Notional	119,375	11,777	131,152	122,425	10,996	133,421
Staff costs - Direct	22,359	-	22,359	8,146	-	8,146
Consultancy fees	61,600	-	61,600	68,123	-	68,123
Audit fees	-	10,182	10,182	-	7,434	7,434
Legal and professional	-	207	207	-	6,430	6,430
Finance costs	-	852	852	-	488	488
	<u>203,334</u>	<u>23,018</u>	<u>226,352</u>	<u>198,694</u>	<u>25,348</u>	<u>224,042</u>
Analysed between						
Fundraising	23,417	-	23,417	24,558	-	24,558
Charitable activities	179,917	23,018	202,935	174,136	25,348	199,484
	<u>203,334</u>	<u>23,018</u>	<u>226,352</u>	<u>198,694</u>	<u>25,348</u>	<u>224,042</u>

### 9 Trustees

A Gillespie, a Trustee, was reimbursed expenses of £67 (2022 - £144) by the charity during the year. None of the Trustees (or any person connected with them) received any remuneration or benefits from the charity during this or the preceding year.

### 10 Employees

Employment costs	2023	2022
	£	£
Wages and salaries	<u>153,511</u>	<u>141,567</u>

No member of staff employed directly by the Fund earned more than £60,000 during the year.

The Ministry of Defence employed six members of staff (2022: six) who spent at least part of their time dealing with the administration of the St Clement Danes Fund. The Ministry of Defence makes no salary recharge for the individuals performing day to day administration, because of the Fund's charitable status. The values of staff salaries paid by the Ministry of Defence are estimated at £131,152 (2022: £133,421) and are included in the above staff costs.

The Ministry of Defence estimate of staff costs of £131,152 represents the following percentages of staff time: Chaplain – 100%, Flight Lieutenant – 3%, Flight Lieutenant – 2.5%, EO Civil Servant – 100%, AA Civil Servant – 100% and Caretaker – 100%. The directly employed staff account for 0.88 full time equivalents (2022: 0.35) and consisted of a number of Deputies who are employed on zero hour contracts.

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 11 Net gains on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
(Loss)/Gain on sale of investments	(60,159)	59,106

### 12 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2022	926,063
Valuation changes	(63,273)
At 31 March 2023	862,790
<b>Carrying amount</b>	
At 31 March 2023	862,790
At 31 March 2022	926,063

### 13 Stocks

	2023	2022
	£	£

Finished goods and goods for resale	5,190	-
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### 14 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	6,854	7,932
Other debtors	240	240
Prepayments and accrued income	4,912	4,259
	12,006	12,431

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 15 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	351	717
Trade creditors	19,979	16,800
Accruals and deferred income	5,893	8,604
	<u>26,223</u>	<u>26,121</u>

#### 16 Related party transactions

There were no related party transactions that require disclosure in the period under review (2022 - none).

#### 17 Taxation

As a charity St. Clements Danes Church Fund is exempt from income and gains falling within section 466-493 of the Corporation Tax Act 2010 to the extent that these are derived from its charitable activities.

#### 18 Capital commitments

There were no capital commitments not provided for in the financial statements (2022 - none).

#### 19 Restricted funds

	Movement in funds			Movement in funds			
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Holy Sacrament	500	-	-	500	-	-	500
Organ Scholarship	929	-	-	929	-	-	929
RAF 100	336	-	-	336	-	(200)	136
1941 Appeal	-	29,940	-	29,940	35,163	(1,546)	63,557
	<u>1,765</u>	<u>29,940</u>	<u>-</u>	<u>31,705</u>	<u>35,163</u>	<u>(1,746)</u>	<u>65,122</u>

# ST. CLEMENT DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20	Unrestricted funds	Balance at 1 April 2021		Movement in funds				Movement in funds				Balance at 31 March 2023		
		£	£	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	£	£
	<b>Designated funds</b>													
	Bells Restoration	5,680	-	-	-	-	-	5,680	-	-	-	-	-	5,680
	Church Refurbishment	41,116	-	(4,854)	-	-	36,262	-	(5,340)	-	-	-	-	30,922
	Income Protection Fund	1,098,733	-	-	(96,958)	-	1,001,775	-	-	(190,730)	-	-	-	811,045
	<b>Total designated funds</b>	<b>1,145,529</b>	<b>-</b>	<b>(4,854)</b>	<b>(96,958)</b>	<b>-</b>	<b>1,043,717</b>	<b>-</b>	<b>(5,340)</b>	<b>(190,730)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>847,647</b>
	<b>General funds</b>													
	General funds	100,000	234,207	(390,271)	96,958	59,106	100,000	266,251	(396,822)	190,730	(60,159)	-	100,000	
	<b>Total unrestricted funds</b>	<b>1,245,529</b>	<b>234,207</b>	<b>(395,125)</b>	<b>-</b>	<b>59,106</b>	<b>1,143,717</b>	<b>266,251</b>	<b>(402,162)</b>	<b>-</b>	<b>(60,159)</b>	<b>-</b>	<b>947,647</b>	

**ST. CLEMENT DANES CHURCH FUND**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

21 Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:

	Unrestricted funds 2023	£	Designated funds 2023	£	Restricted funds 2023	£	Total 2023	£	Unrestricted funds 2022	£	Designated funds 2022	£	Restricted funds 2022	£	Total 2022	£
Investments	-		799,233		63,557		862,790		-		896,123		29,940		926,063	
Net Current assets	100,000		48,414		1,565		149,979		100,000		147,594		1,765		249,359	
	100,000		847,647		65,122		1,012,769		100,000		1,043,717		31,705		1,175,422	