

St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)

Accounts
for the year ended
31st December 2015

Wenn Townsend
Chartered Accountants
Oxford

St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)

Charity Number	261304
Ex-officio Trustees	
Vicar of St Michael at the North Gate	Very Rev R Wilkes
The Wardens of St Michael at the North Gate	P Dailey R Earl
The Rector of Lincoln College	Prof H Woudhuysen
The Principal of Jesus College	Lord Krebs (Retired 31st July 2015) Sir Nigel Shadbolt (Appointed 1st August 2015)
Nominative Trustees	P Warner (Appointed 3rd June 2015) The Venerable Martin Gorick R Loseby M Lear S Shibli S Stubbings
Clerk to the Trustees	R F Sheppard
Assistant to the Clerk	Joanna Steele
Address	St Michael's Church Centre Cornmarket Oxford
Auditors	Wenn Townsend 30 St Giles' Oxford
Bankers	Barclays Bank plc PO Box 858 Wytham Court 11 West Way Botley Oxford
Investment Managers	WH Ireland Limited 24 Martin Lane London EC4R 0DR
Chartered Surveyors	Cluttons LLP Seacourt Tower West Way Oxford OX2 0JJ

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Trustees' Report
for the year ended 31st December 2015**

Reference and administrative information

Please refer to page 1

Structure, Governance and Management

The St Michael's and All Saints' Charity is regulated by the Scheme sealed on 18th February 1991. The body of Trustees consists of five ex-officio trustees and six trustees nominated by the Parochial Church Council of St Michael at the North Gate with St Martin and All Saints, Oxford. The Scheme provides that the person appointed may be but need not be a member of the appointing body. A salaried clerk and an assistant clerk are employed. The trustees are referred to as the Feoffees.

On appointment a new Feoffee meets the Chairman of the Feoffees, the Incumbent of the Parish of St. Michael at the Northgate and the Clerk to the Feoffees and is sent the following documents:

Feoffees' Handbook
Scheme sealed 18th February 1991
Scheme sealed 7th May 1980 (governing The Church Houses Relief in Need Charity)
Minutes of the previous four meetings
The last audited accounts of the charities
A statement of the experience and expertise of other Feoffees

A new Feoffee is required to complete the following:

A Register of skills
A Register of Feoffees' interests
A Declaration

(These Registers and Declaration are also completed by each Feoffee annually.)

The Clerk shows new Feoffees the properties owned by the Feoffees in central Oxford and they are briefed on the accounts.

The Feoffees of The St Michael's and All Saints' Charity are also Trustees of The Church Houses Relief in Need Charity and all meetings are joint meetings.

Full meetings of the Feoffees are held quarterly and additional meetings are called as and when required. Major decisions are taken at these meetings which ensures that the Feoffees exercise full and effective control of the decision making process. Four such meetings were held in 2015.

The Feoffees have examined the principal areas of the Charity's operation and considered the major risks in these areas. The Feoffees consider the Charity's systems to be such that these risks are mitigated to an acceptable level.

The present trustees are shown on page 1.

During the course of the year Professor Peter Mirfield deputised for Lord Krebs and Dr David Barron for Sir Nigel Shadbolt.

Objectives and Activities

In accordance with the terms of the Scheme sealed 18th February 1991 income of the Charity is applied first to the maintenance of the property of the Charity and to the expenses of management of the Charity. It is then applied to defray the cost of repairs to the fabric, furniture, fittings and organ of the Parish Church and of insurance of the Parish Church, to the maintenance of music and the provision of music therein, in aid of the stipends of clergy officiating at the Parish Church, and in making grants for such religious and other charitable purposes as the Feoffees decide after consultation with the Parochial Church Council. Although the charity has wide discretion in respect of making grants the Feoffees tend to concentrate primarily on assisting charities addressing local needs.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Trustees' Report (continued)
for the year ended 31st December 2015**

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Each of the aims of the charity can be shown to be exercised in the public benefit in the following ways:

A. To defray the cost of repairs to the fabric, furniture, fittings and organ of the Parish Church and of insurance of the Parish Church

The Parish Church of St Michael at the North Gate is situated in the city centre of Oxford in which its tower is the oldest surviving building, being built shortly before the Norman Conquest. By covering the costs of repair and maintenance of this historic church the charity ensures that the church is in a fit state to allow public access (including tourists, worshippers and those seeking a quiet space) and that the church continues to host an active community in the heart of Oxford. The continued maintenance and improvement of the church has served the public benefit by enabling the church to open every day for personal quiet and prayer, for the enjoyment of the historical heritage, for providing open and accessible services of worship and teaching on Sundays and during the week, for the holding of regular cultural activities and making the buildings available for hire or free use to groups serving the needs of the community at large. More information on these activities can be found in the report of the accounts of the Parochial Church Council of St Michael at the North Gate with St Martin and All Saints.

B. To the maintenance of music and the provision of music at the Parish Church

The Charity supports the music at St Michael's by covering the costs of the Director of Music, Organist and the professional Choir. These are shown in the Appendix (iv) and were £32,500 in 2015 (2014: £27,128). The choir serves the worshipping community at St Michael's by leading the congregation in sung services and providing full choral services which are open and accessible to all. Choral Evensong is provided outside the university terms when most college chapels stop their provision so allowing both the regular worshippers and the passing visitors and tourists to enjoy this beautiful service so part of the Oxford tradition.

C. In aid of stipends connected with the Parish Church

The charity provides an honorarium for the Vicar at St Michael at the North Gate covering his stipend and expenses and during the year made a further payment in aid of his stipend relating to the period 28th September 2013 to 31st December 2015 which benefits the Vicar by increasing his yearly income. In 2015 these costs, shown in Appendix (v), totalled £54,076 (£37,014 in 2014). The honorarium for the Vicar is paid to the Diocese which is then responsible for paying the Vicar a regular stipend. These payments enable St Michael's to continue to serve the congregation and public in the city centre as without this contribution there would be no clergy allocated to the church by the Diocese in Oxford.

Although there are few permanent residents within the Parish boundaries, the Bishop of Oxford has recognised the important role the clergy at St Michael's play in supporting the public benefit both in the Vicar's role as City Rector with the Oxford City Council and his pastoral relations with city centre businesses and visitors. The charity covers the salaries of the church secretary, part time parish administrator and the verger who support the clergy in their role working with the city authorities and city centre workers and visitors, shown in Appendix (iv).

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Trustees' Report (continued)
for the year ended 31st December 2015**

Public benefit statement (continued)

D. In making grants for such religious and other charitable purposes as the Feoffees decide (in consultation with the Parochial Church Council)

The Charity is fortunate to have significant income in excess of the expenditure needed to cover A-C above to make grants for religious and other charitable purposes in the public interest. Apart from the grants referred to above, the full grants are shown in Note 5 to the accounts; grants totalled £386,538 in 2015 (2014: £463,315). Grant applications are considered at each trustee meeting with no pre-selection so that the full and diverse experience of the Feoffees is available to decide on which grants should be made. The Feoffees look for a clearly stated purpose and outcome and evidence of good management for achieving the aims. The Feoffees remain committed to applications within the county.

The original endowments were made by citizens of Oxford and are represented by properties close to the city centre yielding substantial rental income. This allows the Feoffees to serve the public benefit by helping smaller local charities that cannot afford large fundraising activity and may have few options for raising the sums needed to achieve their purposes. The Feoffees have a grant making policy which is available at every meeting and which is under scrutiny by the whole Trustee body. The grants made during the year cover many charitable purposes in the interest of the local public such as:

- The prevention or relief of poverty (e.g. Oxford Homeless Pathways, Crisis Skylight Oxford, Oxfordshire Advocacy, Oxford Community Emergency Food Bank, Aspire,)
- The advancement of education (e.g. ARCh, One Eighty, Mulberry Bush School, East Oxford Primary School, Carterton Educational Trust, Oxford Hub Schools Trust)
- The advancement of religion (e.g. The Parish Church of St Michael's and All Angels, Wesley Memorial Church, New Road Baptist Church, St Luke's Church)
- The advancement of health or the saving of life (e.g. Oxford Sexual Abuse and Rape Crisis Centre, Henry, Oxfordshire Lowland Search and Rescue, Motor Neurone Disease Association, Spinal Injuries Association, Footsteps Foundation, Oxford and District Mencap)
- The advancement of citizenship or community development (e.g. Barton Community Association, BK Luwo, Oxfordshire Credit Union, Oxford Preservation Trust, Berinsfield Church and Hall, Kencot Village Hall, Thrive, Wolvercote Young Peoples Club)
- The relief of those in need (Asylum Welcome, Katharine House Hospice, Cruse Bereavement Care, Dream Holidays, Prison Phoenix Trust, Refugee Resource).

Achievements and Performance

Following consultation with the Parochial Church Council, grants totalling £386,538 in 2015, (2014: £463,315) were made to charitable organisations. The 2014 grants figure includes a large grant of £75,000 payable over three years (£50,000 of which was unpaid at 31st December 2014 and £25,000 of which was paid in the current year). In addition, the regular application from Oxford Historic Churches Trust (2014: £80,000, 2013: £30,000) was not received in the current year.

Letters of thanks from recipients of grants emphasised that awards made a considerable difference to their organisation.

Recipients are required to confirm that the grants are used for the purposes for which they were awarded; these purposes are set out in the covering letter containing the grant cheque and the Clerk and Assistant Clerk require written acknowledgements of receipt of grants together with confirmation that the monies will be applied for the purposes for which the grants were made. In addition, the Clerk and Assistant Clerk visit charities to review their work, to ensure that grants are correctly applied and to understand better the functioning of charities and the needs they are addressing; detailed written reports are made to the Feoffees at their quarterly meetings; these reports are also circulated for reference when charities visited apply for further grants.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Trustees' Report (continued)
for the year ended 31st December 2015**

Achievements and Performance (continued)

In the light of reports by the Clerk and Assistant Clerk on their visits to Charities supported by the Feoffees, the Feoffees have become increasingly aware of the value to Charities of grants towards core costs and the need for grants over a period of years to aid forward planning. As a result the Feoffees have awarded three grants payable over three years; recipients are required to report annually on the progress they have made as a result of the awards.

To attract the attention of suitable charities that may not otherwise have heard of the Feoffees, during 2015 the Charity set up a website; it is hoped that this will enable the Feoffees to extend the reach of their charitable giving.

The services of the Clerk are made available at no cost to The St Michael's Oxford Educational Trust to whom he is also Clerk. The St Michael's Oxford Educational Trust is a small trust awarding grants for educational purposes, six of whose eight trustees are also Feoffees.

Financial Review

Reserves Policy

The Charity maintains reserves in order to fulfil the aims described in the Public Benefit Statement above in the event of significant loss of income and increased demand for support. These relate to both the need to make provision for its running costs and commitments to the Church of St Michael at the North Gate and for future charitable grants, The Charity believes that following the withdrawal of governmental funding the need for grants will rise significantly. It has therefore been decided to allocate any annual surplus to such reserves and to seek to maintain those reserves at a level that is, with the income of the permanent endowment, sufficient to meet these existing and increased demands.

Reserves Position

These reserves are held as unrestricted funds. At the end of December, the balance held as unrestricted (including designated) funds was £4,337,111 (2014: £4,234,296) of which £156,939 (2014: £929,201) are regarded as free reserves. Free reserves are those unrestricted funds not invested in tangible fixed assets or investments used by the charity or shared with restricted funds, designated for specific purposes or otherwise committed.

The unrestricted fund expended £705,886 (2014: £704,375) whilst incoming resources were £772,049 (2014: £785,625) and there were net unrestricted revaluation gains of £36,652 (2014: £59,359).

The Charity set up a designated fund in the year for the church organ. The balance in this fund stands at £100,000 at the year end. In addition, in order to clearly present the true free reserves position in the annual accounts, such unrestricted funds as are represented by fixed assets and investments have been transferred into separate designated funds as shown in note 9.

Permanent Endowment Position

The Permanent Endowment fund which is shown in the accounts at market value, increased in value by £236,612 (2014: increase of £62,784) due to net revaluation gains of £243,432 (2014: £69,125) during the year combined with investment management expenses of £6,820 (2014: £6,341).

Investment Policy

It is the policy of the Feoffees to invest their funds in property and other assets so as (a) to generate sufficient income to enable the Feoffees to meet their obligations to defray the costs of managing their property and those related to the administration and management of the Charity and the costs of repairs to the fabric of St Michael Northgate and the maintenance of its services including the provision of music and related insurance and support the stipends of its clergy; and subject thereto (b) to maintain the real value of the capital of the Charity; and (c) to generate income to satisfy current and anticipated donations to the Charity's beneficiaries.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Trustees' Report (continued)
for the year ended 31st December 2015**

Investments Position

Property Investments

The major source of the income of the Charity is rent from freehold and leasehold properties in the centre of Oxford. Apart from 30 Cornmarket, each of the Charity's properties was fully occupied throughout the year and the rents received from the tenants via the managing agents in timely fashion.

During 2014 Flat 2, the top flat at 30 Cornmarket Street, having been refurbished and refurnished in 2013, was made available for the use of St Michael's Parish; at the request of the Vicar the Charity let the flat at a concessionary rent until 31st December 2015, the occupier agreeing with the PCC to provide substantial unpaid support for parish activities. This flat is now let on the open market on full commercial terms. As in previous years, Flat 1 has been made available to the Parish for housing the Verger.

In 2008 the Charity's Chartered Surveyor negotiated a sale of 36A Church Street, Oxford at a price of £250,000 following the exercise of compulsory purchase powers. However, the sale was dependent on the extension of the Westgate Centre, Oxford and the scheme envisaged at that time did not proceed. In March 2014 outline planning permission was granted for a revised scheme to extend the Westgate and representatives of the developers then revived negotiations. Fresh terms for the surrender of the present lease and the grant of a new ground lease for 250 years at a peppercorn in consideration of a premium of £310,000 were agreed and the transaction completed 24th July 2015.

During 2015 the Feoffees undertook overdue refurbishment work to parts of the interior of 30 Cornmarket. The stairs and landings accessing the upper floors, the office occupied by the Clerk and Assistant Clerk, and Flat 1 were repaired and improved to bring them to modern standards.

The Feoffees have for some time been looking to increase their income available for distribution by the purchase of an appropriate investment property and during 2015 a shop with car parking at the rear and a first floor flat was identified in Summertown, a prosperous suburb of Oxford. The premises are securely let to a local trader. Terms were agreed and the purchase completed in January 2016 at a price of £1,050,000; the rental income is £52,000 per annum.

The rental income from the properties owned by the Charity is significant in allowing the Charity to undertake its activities in the public benefit and so as and when necessary these must be maintained properly to enable the properties to yield the rents required for the purposes of the Charity. The cost of management and repairs to the Charity's investment properties increased from £76,601 in 2014 to £94,796 in 2015.

Portfolio Investments

In addition to their property investments the Feoffees hold an investment portfolio comprising holdings in internationally diversified equities and fixed interest UK Government securities, professionally managed. The primary aim of the Investment Manager is to achieve long term capital appreciation in excess of inflation combined with security of investments, and the best possible income commensurate with the overriding aim of capital appreciation. Following the formation of a sub-committee in 2011, an investment policy has been formulated setting out the objectives, parameters and exclusions as well as an ethical framework to form the basis of investment decisions. This policy was approved by the Feoffees during the course of 2013 and has since been reviewed. During the year the investments excluding property held by the charity increased in value by £47,604; in 2014 they increased by £122,648.

Plans for the future

Whilst remaining committed to previous and existing applicants and to support for larger projects during 2015 the Feoffees intend to continue to take a proactive approach to seeking out potential recipients. As a result grants to charitable organisations totalled £386,538 (2014: £463,315). Having become aware through the reports prepared by the Clerk and Assistant Clerk that many charities struggle to attract funding for core costs, during 2014 the Feoffees for the first time awarded a substantial grant to be payable over a three year period and two further grants were made on this basis in 2015; it is hoped that further such grants will be awarded in appropriate cases. In tandem with this it is hoped the creation of the website mentioned above will increase suitable applications.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Trustees' Report (continued)
for the year ended 31st December 2015**

Plans for the future (continued)

As noted above, the Feoffees also continue to ensure, as far as possible, that grants made are used for the stated purpose and recipients are requested to confirm this in writing when acknowledging receipt of the grant payment. Many of the recipients provide progress reports. The Clerk and Assistant Clerk continue to make visits to as many recipients as possible and report back to the Feoffees.

Since 2013 the Feoffees have been looking to enlarge their income available for disposal by attempting to acquire an additional commercial investment property. The recent purchase of a shop in Summertown, Oxford described earlier represents progress in this direction. The Feoffees remain mindful of the increasing financial pressures to which many of the charities they support are subject and it remains their aim to increase their capacity to award grants; they have resolved to acquire further property if suitable propositions arise.

With the assistance of its professional advisers the Feoffees are intent on obtaining the maximum returns on its properties and investments and will continue to meet with its advisers on a regular basis.

Pay policy for senior staff

The Feoffees consider that they, as the Charity's trustees, comprise the key management personnel of the charity in charge of directing, controlling, running and operating the Charity on a day to day basis. All Feoffees give of their time freely and no Trustee received remuneration in their capacity as Trustee during the year.

Following a benchmarking exercise in 2014, the pay of the clerk and assistant clerk are reviewed by the Feoffees and normally increased annually in line with the Consumer Price Index.

Trustees' responsibilities statement

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

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

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

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

14th July 2016

**Rupert Sheppard
Clerk to the Trustees**

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Independent Auditors' Report
to the Trustees of St Michael's and All Saints' Charities
Church Branch**

We have audited the financial statements of St Michael's and All Saints' Charities Church Branch for the year ended 31st December 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2015, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

.....
Wenn Townsend
Chartered Accountants and Statutory Auditors
30 St Giles
Oxford OX1 3LE
14th July 2016

Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)
Statement of Financial Activities for the year ended 31st December 2015

	General Unrestricted Fund 2015 £	Designated Funds 2015 £	Permanent Endowment Fund 2015 £	Total 2015 £	General Unrestricted Fund 2014 £	Permanent Endowment Fund 2014 £	Total 2014 £
Income and endowments:							
Income from generated funds							
<i>Investment income</i>							
Rents	755,240	-	-	755,240	770,036	-	770,036
Interest/dividends	16,809	-	-	16,809	15,589	-	15,589
Total income and endowments	<u>772,049</u>	<u>-</u>	<u>-</u>	<u>772,049</u>	<u>785,625</u>	<u>-</u>	<u>785,625</u>
Expenditure:							
Costs of generating funds							
Property repairs and expenses	21,487	-	-	21,487	47,955	-	47,955
Investment management expenses	-	-	6,820	6,820	-	6,341	6,341
Support costs allocation	73,309	-	-	73,309	28,646	-	28,646
	<u>94,796</u>	<u>-</u>	<u>6,820</u>	<u>101,616</u>	<u>76,601</u>	<u>6,341</u>	<u>82,942</u>
Charitable activities							
Church repairs and expenses	97,167	-	-	97,167	100,940	-	100,940
Clergy	54,076	-	-	54,076	37,014	-	37,014
Charitable grants (note 5)	386,538	-	-	386,538	463,315	-	463,315
Support costs allocation	73,309	-	-	73,309	26,505	-	26,505
	<u>611,090</u>	<u>-</u>	<u>-</u>	<u>611,090</u>	<u>627,774</u>	<u>-</u>	<u>627,774</u>
Total expenditure	<u>705,886</u>	<u>-</u>	<u>6,820</u>	<u>712,706</u>	<u>704,375</u>	<u>6,341</u>	<u>710,716</u>
Net income/(expenditure)	66,163	-	(6,820)	59,343	81,250	(6,341)	74,909
Other recognised gains and losses							
Surplus on sale of property	-	-	225,500	225,500	-	-	-
Realised gains on disposal of investments	-	-	4,517	4,517	-	20,487	20,487
Unrealised gains/(losses) on investments	36,652	-	13,415	50,067	59,359	48,638	107,997
Net movement in funds before transfers	102,815	-	236,612	339,427	140,609	62,784	203,393
Transfer	(4,180,172)	4,180,172	-	-	-	-	-
Net movement after transfers	<u>(4,077,357)</u>	<u>4,180,172</u>	<u>236,612</u>	<u>339,427</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds at 1st January 2015	4,234,296	-	12,000,483	16,234,779	4,093,687	11,937,699	16,031,386
Funds at 31st December 2015	<u>156,939</u>	<u>4,180,172</u>	<u>12,237,095</u>	<u>16,574,206</u>	<u>4,234,296</u>	<u>12,000,483</u>	<u>16,234,779</u>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Balance Sheet
31st December 2015**

	Note	2015	2014
		£	£
Fixed assets			
Freehold and leasehold properties	2	13,733,000	13,817,500
Fixtures, fittings and equipment	3	4,723	6,298
Investments	4	1,531,154	1,483,550
		15,268,877	15,307,348
Current assets			
Cash at bank		413,632	60,398
Debtors and prepayments	6	96,734	103,546
Charities deposit fund		960,225	910,225
		1,470,591	1,074,169
Current liabilities			
Sundry creditors	7	(150,262)	(121,738)
		1,320,329	952,431
Net current assets			
Non-current liabilities	7	(15,000)	(25,000)
Net assets		16,574,206	16,234,779
Financed by:			
Unrestricted funds	9	156,939	4,234,296
Designated funds	9	4,180,172	-
Permanent endowment funds	9	12,237,095	12,000,483
Total funds		16,574,206	16,234,779

S Stubbings)
) Trustees
Very Rev R Wilkes)

14th July 2016

**St Michael's and All Saints' Charities
Church Branch
(The Church Houses Relief in Need Charity)**

**Statement of Cash Flows
for the year ended 31st December 2015**

Reconciliation of increase in funds to net cash flow from operating activities

	2015	2014
	£	£
Increase in funds	339,427	203,393
Depreciation charge	1,575	2,100
Decrease/(increase) in debtors	6,812	(15,131)
(Decrease)/increase in creditors	18,524	58,406
Interest received	(16,809)	(15,589)
Gains on investments	(47,604)	(122,648)
(Profit)/loss on sale of investment property	(225,500)	-
	<hr/>	<hr/>
Net cash flow from operating activities	76,425	110,529
	<hr/> <hr/>	<hr/> <hr/>
 Cash flow statement		
Net cash flow from operating activities	76,425	110,529
 Returns on investments and servicing of finance		
Interest received	16,809	15,589
Sale of investment property	310,000	-
	<hr/>	<hr/>
Net cash flow before management of liquid resources and financing	403,235	126,118
	<hr/>	<hr/>
Increase in cash	403,235	126,118
	<hr/> <hr/>	<hr/> <hr/>
Movement in cash	403,235	126,118
Net cash at 1st January	970,622	844,504
	<hr/>	<hr/>
Net cash at 31st December	1,373,857	970,622
	<hr/> <hr/>	<hr/> <hr/>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts
for the year ended 31st December 2015**

1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the accounts of St Michael's and All Saints' Charities.

Accounting basis

These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid. The accounts 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 16th July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts include all the transactions, assets and liabilities for which the Charity is responsible in law.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. As governance costs are no longer recognised as a separate heading under Charities SORP FRS 102, these costs have been reallocated to activities on a consistent basis with the current year as follows:-

	As originally stated	Reallocation of governance costs	As restated
	£	£	£
Cost of generating funds	72,900	10,042	82,942
Charitable activities	617,732	10,042	627,774
Governance costs	20,084	(20,084)	-

Fixed assets

The freehold and leasehold properties are held as investments. These properties are included at the 2014 valuation by Cluttons LLP. The Trustees feel that there has not been a material movement in value since that date.

Depreciation

Investment properties are not depreciated in accordance with Statement of Standard Accounting Practice 19.

Depreciation of other fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Fixtures, fittings and equipment	25% Straight line
----------------------------------	-------------------

Investments

Investments are included in the accounts at market value. Realised gains/(losses) are those arising between the sale of an investment and its value at beginning of the year. Unrealised gains/(losses) are those arising where the investment is still held but the value has changed.

Income recognition

Rental income

Rental income is recognised by the period the rent covers.

Grants payable

Grants are accounted for when approved by the Trustees.

Investment income

Investment income is accounted for on an accruals basis.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

1 Accounting policies (continued)

Fund accounting

i) Unrestricted funds

Unrestricted funds include designated funds which were funds set aside out of general funds and designated for specific purposes by the Trustees.

ii) Restricted funds

Restricted funds are funds which have been raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions. No such funds are identified.

iii) Permanent endowment funds

A permanent endowment fund must be held permanently. The income from it is unrestricted.

2 Freehold and leasehold properties

	2015	2014
	£	£
32-36 St Ebbes Street	350,000	350,000
48-50 Cornmarket Street	6,650,000	6,650,000
136 High Street	1,925,000	1,925,000
30 Cornmarket Street	2,200,000	2,200,000
30-31 St Ebbes Street	325,000	325,000
Land in Penny Farthing Place (Church Street)	500	85,000
51 Cornmarket Street	2,800,000	2,800,000
2 Frewin Court	445,000	445,000
	14,695,500	14,780,000
	14,695,500	14,780,000
Divisible between:		
Church Branch	13,733,000	13,817,500
Relief Branch	962,500	962,500
	14,695,500	14,780,000
	14,695,500	14,780,000

The Feoffees arrange for an independent valuation of the properties on a quinquennial basis. Interim reviews are carried out on an annual basis to ensure that the valuations are not materially inconsistent with the estimated current market value in the opinion of the Feoffees. The properties were revalued by an independent surveyor on 31st March 2014.

During the year, a long lease at Church Street with a deemed brought forward value of £84,500 was sold for £310,000. The remaining £500 represents the notional value of the freehold.

3 Fixtures, fittings and equipment

	Total
	£
Cost	
At 1st January 2015 and at 31st December 2015	21,906
	21,906
Depreciation	
At 1st January 2015	15,608
Charge for year	1,575
	17,183
At 31st December 2015	17,183
	17,183
Net book value	
At 31st December 2015	4,723
	4,723
At 1st January 2015	6,298
	6,298
	6,298

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

4 Investments

	Unrestricted Investments	Permanent Endowment Fund	Total
	£	£	£
Market value at 1st January 2015	718,517	765,033	1,483,550
Proceeds from sales	-	(181,123)	(181,123)
Acquisitions at cost	-	261,433	261,433
Increase in cash pending investment	-	(87,290)	(87,290)
Net gains on revaluation:			
- realised	-	4,517	4,517
- unrealised	36,652	13,415	50,067
	<u>755,169</u>	<u>775,985</u>	<u>1,531,154</u>
Market value at 31st December 2015	755,169	775,985	1,531,154
Historical cost at 31st December 2015	<u>15,335</u>	<u>793,048</u>	<u>808,383</u>

Investments held		Unrestricted	Endowment	Total
		£	£	£
1,099	COIF Income Shares	13,558	-	13,558
21	COIF Accumulation Shares	2,564	-	2,564
6,183	COIF Accumulation Shares	739,047	-	739,047
37,500	Aberdeen Latin American Income	-	17,063	17,063
11,900	Aberdeen New Thai Investment Trust	-	41,888	41,888
3,250	Aviva Ord GBP0.25	-	16,770	16,770
5,600	Blackrock Latin American Investment Trust	-	15,512	15,512
6,000	Blackrock World Mining Trust	-	10,860	10,860
2,350	Carnival plc Ord USD1.66	-	90,851	90,851
4,441	Easyjet Ord GBP0.25	-	77,273	77,273
3,600	Fidelity Japanese Values 0.001	-	113	113
25,150	International Consolidated Airline	-	153,541	153,541
18,450	JP Morgan Indian Inv Trust GBP0.25	-	93,173	93,173
1,000	Prudential Ord GBP 0.05	-	15,310	15,310
14,375	New India Investment Trust Ord GBP0.25	-	46,431	46,431
7,000	Rolls Royce Group Ord GBP0.20	-	40,250	40,250
5,500	TR European Growth Trust GBP @ 0.125	-	36,149	36,149
6,390	TUI AG Ord	-	77,383	77,383
	Cash	-	43,418	43,418
		<u>755,169</u>	<u>775,985</u>	<u>1,531,154</u>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

5 Charitable grants

	2015 £	2014 £
Ace Centre	-	3,000
Adventure Plus (£25,000 p.a. over 3 years)	-	75,000
Aldates Community Transformation Initiatives	3,450	3,600
Anjali Dance Company	10,000	-
ARCH	6,000	6,000
ArkT Centre	9,800	-
Aspire	3,000	-
Asthma Relief in Oxford	3,200	2,400
Asylum Welcome (£10,000 p.a. over 3 years)	30,000	7,500
Barracks Lane Community Garden Project	3,484	-
Barton Community Association	2,400	-
Berinsfield PCC	4,427	-
Bipolar UK	-	500
Blackbird Leys Adventure Playground	3,000	3,000
Blackbird Leys Credit Union	-	5,000
Bookfeast	-	3,000
Calibre Audit Library	-	500
Carterton Educational Trust	1,000	-
Christ Church Cathedral School	3,000	-
Christian Concern for One World	-	1,000
CLAPA	500	-
Clear Sky Children's Foundation	5,218	4,455
Clic Sargent	2,500	-
Connect	-	3,000
Count the Kicks	500	-
Create (Arts) Limited	3,078	3,000
Crisis Skylight	5,000	-
Cruse Bereavement Care Limited	5,000	5,000
Daybreak	2,000	1,000
Deafblind UK	500	-
Dean Court Community Association	-	2,982
Donnington Doorstep	-	12,000
Dovecote Voluntary Parent Committee	2,500	-
Dream Holidays	1,500	1,500
East Oxford Community Association	2,249	-
East Oxford Primary School	2,484	-
Elmore Community Services	-	6,250
ENRYCH Oxfordshire	-	1,000
Event Mobility	-	500
Exeter College Vacation Project	1,500	1,000
FAB (Fight against Blindness)	-	3,500
Farm Inspiration Trust	-	2,410
Film Oxford	2,800	-
Flexicare	3,000	-
Follyfoot	-	970
Footsteps Foundation	3,000	3,000
Forest Hill Village Hall Trustees	1,600	-
Full Circle	5,000	5,000
Group B Strep Support	500	-
Guideposts Trust	3,000	-
Handicapped Children's Action Group	-	1,317
Happy Days Children's Charity	-	2,186
Headway Oxfordshire	-	3,200
Helen and Douglas House	7,000	5,000

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

5 Charitable grants (continued)

	2015	2014
	£	£
HENRY	8,949	-
Hinksey Skulling School	2,000	2,000
Home-Start Oxford	-	6,500
Independent Age	-	500
John Henry Newman Academy	3,000	-
Joss Searchlight	500	-
Katharine House Hospice	900	750
Keen	-	2,000
Kencot Village Hall, aka The Carter Institute	3,000	-
KidsOut UK Ltd	500	-
Leys Youth Programme	-	11,000
Life Education Centres Thames Valley	-	1,500
Lifelites	-	3,000
Lighthouse Thame & Villages	4,240	-
Lincoln College Vacation Project	6,000	6,000
Listening Books	500	500
Macmillan Cancer Support	500	500
Maggie's	1,000	-
Marie Curie Cancer Care	500	500
Meningitis Now	500	500
Missing People	500	-
Motability	500	500
Motor Neurone Disease Association	3,000	3,000
Mulberry Bush School	10,000	8,000
My Life Choice	3,000	2,500
Myasthenia Gravis Association	-	1,000
New Road Baptist Church	3,000	930
One-Eighty	3,000	-
OOSO	-	3,300
Open Door Society for Refugees	-	4,000
Oxford and District Mencap	8,500	8,500
Oxford Church's Debt Centre	-	5,000
Oxford Community Emergency Food Bank	3,000	-
Oxford Community Work Agency	1,510	-
Oxford Family Mediation	10,000	10,000
Oxford Hindu Temple and Community Project	1,000	-
Oxford Homeless Pathways	10,000	10,000
Oxford Hub	6,000	-
Oxford Preservation Trust	2,500	-
Oxford Schools Chaplaincy	-	2,500
Oxford Sea Cadets	4,500	-
Oxford Sexual Abuse & Rape Crisis Centre	7,500	-
Oxford Street Pastors	-	6,000
Oxfordshire Advocacy	5,558	5,532
Oxford Association for the Blind	5,000	5,000
Oxfordshire County Scout Council	-	3,000
Oxfordshire Credit Union (£5,000 p.a. over 3 years)	15,000	-
Oxfordshire Historic Churches Trust	-	80,000
Oxfordshire Lowland Search & Rescue	2,950	2,498
Oxfordshire Mind	-	3,000

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

5 Charitable grants (continued)

	2015	2014
	£	£
Oxfordshire Play Association	2,000	1,500
OXSRAD	3,975	-
Parasol	2,150	-
Parish Church of St Michael's and All Angels	5,000	500
PBC Foundation	500	500
Peoples Dispensary for Sick Animals	-	500
Prison Phoenix Trust	3,500	3,610
Refugee Resource	4,980	4,980
Relate Oxfordshire	8,000	8,000
Revitalise	3,806	3,630
SAFE	2,100	-
Scope	500	500
Seesaw	-	1,500
Shine	500	500
Skill Force	2,922	-
Soundabout	1,500	-
Sound Resource	888	1,600
South Oxfordshire Adventure Playground	-	3,000
Special Effect	-	5,347
Spinal Injuries Association	500	500
Sportability	-	2,000
St Matthew's with St Luke's PCC Oxford	5,000	-
Stadhampton Village Hall	-	1,000
Tall Ships Youth Trust	3,000	3,000
Tandem	2,000	-
The Archway Foundation	-	9,000
The Children's Society	4,000	-
The Leys Community Development Initiative	5,000	-
The Listening Centre	2,500	-
The Oasis Partnership	-	500
The Porch	-	10,000
The Story Museum	2,500	-
Thomley Activity Centre	-	10,000
Thrive	10,000	-
Vale House	-	5,000
Viva Together for Children	2,500	-
Wesley Memorial Church	10,000	-
Whizz Kidz	500	500
Wolvercote Young People's Club	5,000	-
Wood Farm Parent and Toddler Group	1,920	-
Yellow Submarine	-	4,000
Young Dementia	3,000	3,118
Young Women's Music Project	500	-
Less: Roken House*	-	(250)
St Michael's PCC Welfare fund*	-	(3,000)
	386,538	463,315
	386,538	463,315

* Grants have been written off as they are no longer payable.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

6 Debtors and prepayments

	2015	2014
	£	£
Under one year:		
Trade debtors	87,358	95,360
Other debtors	4,078	2,222
Prepayments	5,298	4,042
Amount owed from relief branch	-	1,922
	<u>96,734</u>	<u>103,546</u>

7 Sundry creditors

	2015	2014
	£	£
Amounts due in respect of taxation and social security	9,401	7,616
Grants payable	42,920	33,954
Trade creditors	19,951	-
Accruals and deferred income	64,840	80,168
Amounts owed to connected charities	13,150	-
	<u>150,262</u>	<u>121,738</u>
Deferred income consists of rent in advance:-		
Released from previous year	<u>69,807</u>	<u>56,632</u>
Deferred in current year	<u>59,375</u>	<u>69,807</u>

8 Creditors: amounts falling due in more than one year

	2015	2014
	£	£
Grants payable	<u>15,000</u>	<u>25,000</u>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

9 Net asset analysis

	Freehold and leasehold properties £	Fixtures fittings and equipment £	Investments £	Net current assets £	Non current liabilities £	Total £
Unrestricted						
- General Unrestricted "Free" Reserves	-	-	-	171,939	(15,000)	156,939
Designated						
- Property Fund	2,580,280	-	-	740,000	-	3,320,280
- Equipment Fund	-	4,723	-	-	-	4,723
- Investments Fund	-	-	755,169	-	-	755,169
- Organ Fund	-	-	-	100,000	-	100,000
Endowment						
- Permanent Endowment Funds	11,152,720	-	775,985	308,390	-	12,237,095
	<u>13,733,000</u>	<u>4,723</u>	<u>1,531,154</u>	<u>1,320,329</u>	<u>(15,000)</u>	<u>16,574,206</u>

General Unrestricted Free Reserves are those funds freely available to use in connection with the charity's principle aims and objectives.

Designated funds have been established by the Feoffees for specific purposes as follows:-

The Property Fund has been established to report the value of properties not forming part of the permanent endowment. This includes £740,000 earmarked for the purchase of a new property which was finalised in January 2016.

The Equipment Fund represents the value of fixtures, fittings and equipment purchased for the use of the charity. Depreciation will be charged against this fund.

The Investments Fund represents the value of the COIF Income and Accumulation Units.

The Designated Organ Fund has been established with a view to assisting the church with the purchase of a new organ, expected to cost £300,000. The shortfall will be funded from surpluses in future years at an estimated amount of £100,000 per annum.

10 Staff Costs

	2015 £	2014 £
Gross wages	32,369	32,005
Employers National Insurance	2,240	2,239
Employment allowance	(2,000)	(1,719)
	<u>32,609</u>	<u>32,525</u>

There were 2 part-time employees. No employee was paid more than £60,000 in the year.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

11 Allocation of support costs

The charity allocates its support costs as shown in the table below. Support costs are allocated on a basis consistent with the use of resources.

	Cost of generating funds £	Charitable activities £	2015 Total £	2014 Total £
Support costs				
Staff costs	16,305	16,304	32,609	32,525
Professional indemnity insurance	388	388	776	776
Insurance	369	369	738	685
IT costs	-	-	-	2,000
Depreciation	787	788	1,575	2,100
General office expenses and repairs	3,627	3,627	7,254	9,517
Audit fee	3,428	3,428	6,856	6,264
Legal and professional fees	675	675	1,350	1,243
Office refurbishment	47,730	47,730	95,460	-
Total	<u>73,309</u>	<u>73,309</u>	<u>146,618</u>	<u>55,110</u>

12 Trustees' remuneration

No remuneration was paid to any Trustee in their capacity as Trustee (2014: £ Nil).

None of the Trustees was reimbursed for expenses during the year (2014: £ Nil).

The cost of the Trustees' Indemnity Insurance to the charity during the year was £776 (2014: £776).

13 Connected charity

An amount of £13,150 was owed to the St Michael's and All Saints' Charity Relief Branch (The Church Houses Relief in Need Charity), a connected charity, in respect of rents collected for 136 High Street not yet transferred (2014: £1,922 owed from the Relief Branch).

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2015**

14 Related parties

During the year ended 31st December 2015, transactions with related parties were as follows:

Very Rev R Wilkes, as vicar, is a Trustee by virtue of his office and also a beneficiary as an object of the Trust via the support given to the Diocese to help fund his honorarium and to the PCC to support clergy expenses.

Professor Prof H Woudhuysen, Ex-Officio Trustee, is connected to:

Lincoln College Vacation Project which received an approved grant of £6,000 (2014: £6,000).

During the year, Very Rev R Wilkes, Sir Nigel Shadbolt, Prof H Woudhuysen, Lord Krebs, M Lear, R Earl and P Dailey, were also Trustees of St Michael's Oxford Educational Trust.

Very Rev R Wilkes is also a Trustee of :-

Asylum Welcome which received an approved grant of £30,000 payable over three years (2014: £7,500 payable immediately).

Refugee Resource which received an approved grant of £4,980 (2014: £4,980).

Miss P Dailey is also a Trustee of Oxford Advocacy which received an approved grant of £5,558 (2014: £5,532).

Ms R Loseby is governor of East Oxford Primary School which received an approved grant of £2,484 (2014: £nil).

Very Rev R Wilkes, R Earl and P Dailey are also Trustees of St Michael at the North Gate with St Martin and All Saints. During the year, the following amounts were paid to the church:-

	2015	2014
	£	£
Insurance	6,353	6,462
Church expenses	12,000	7,426
Less: Rebate in respect of previous years	(6,477)	-
Church administration salaries	45,929	30,606
Computer services	2,200	2,040
Music	32,500	27,128
Repairs & maintenance/miscellaneous	4,662	27,278
	97,167	100,940
	97,167	100,940

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)
Appendix**

(i) Rents receivable	2015	2014
	£	£
136 High Street, Oxford (one half)	59,375	62,751
32-36 St Ebbes Street, Oxford	26,500	26,500
30-31 St Ebbes Street, Oxford	13,000	13,000
48-50 Cornmarket Street, Oxford	371,000	371,000
51 Cornmarket Street	146,000	146,000
30 Cornmarket Street, Oxford		
- shop tenant	106,000	120,571
- flat	4,306	1,044
Pennyfarthing Place Land	558	670
Frewin Court	28,500	28,500
	<u>755,240</u>	<u>770,036</u>
(ii) Investment income		
Deposit fund interest	4,254	3,112
Interest on overdue rent	122	1,292
Dividends	12,433	11,185
	<u>16,809</u>	<u>15,589</u>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)
Appendix (Continued)**

	2015 £	2014 £
(iii) Property repairs and expenses		
30 Cornmarket Street, Shop	1,923	14,519
30 Cornmarket Street, Flat 1	780	-
30 Cornmarket Street, Flat 2	1,276	1,455
48 Oatlands Road	-	(6)
48-50 Cornmarket Street	-	2,015
51 Cornmarket Street	(418)	2,334
136 High Street (One Half)	-	1,838
Property management commission	17,413	18,167
Legal and professional fees	513	7,633
Total	<u>21,487</u>	<u>47,955</u>
(iv) Church repairs and expenses		
Church expenses	12,000	7,426
Rebate in respect of previous years	(6,477)	-
Church repairs	4,662	27,278
Church administration salaries	45,929	30,606
Computer services	2,200	2,040
Music	32,500	27,128
Church insurance	6,353	6,462
	<u>97,167</u>	<u>100,940</u>
(v) Clergy		
Honorarium	41,636	37,014
Additional payment	12,440	-
	<u>54,076</u>	<u>37,014</u>