

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

Accounts
for the year ended
31st December 2016

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	Sir Nigel Shadbolt
Nominative Trustees	
	The Venerable Martin Gorick R Loseby M Lear S Shibli S Stubbings P Warner
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 Gilesq 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 2016**

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 a 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 2016.

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 Dr David Barron deputised 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.

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**Trustees' Report (continued)
for the year ended 31st December 2016**

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 public is served through this programme of continued maintenance and improvement in a variety of ways. It enables the church to be 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. The total expenditure in the year for this purpose (including insurance, expenses and repairs) was £23,115 (2015: £16,538). 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.

The Feoffees have designated a further £100,000 (2015: £100,000) during the year to the organ fund. It is anticipated that the total cost of the organ will be £300,000. Subject to available funds, the remaining £100,000 will be funded from surpluses in the next financial year.

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 Appendix iv to the accounts and were £31,800 in 2016 (2015: £32,500). 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 supporting religion by assisting in the expenses 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. In 2016 these costs, shown in the Appendix, totalled £39,336 (2015: £41,636). The honorarium for the Vicar is paid to the Diocese which is then responsible for paying the Vicar a regular stipend. This is significant in allowing 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. In addition to the honorarium, the Feoffees resolved in 2016 to make a supplementary payment to the Vicar of £5,000 (£12,440 in 2015).

Although there are few permanent residents within the Parish boundaries, the Bishop of Oxford recognises 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.

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**Trustees' Report (continued)
for the year ended 31st December 2016**

Public benefit statement (continued)

D. In making grants for other 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 £573,201 in 2016 (2015: £386,538). All 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 together with evidence of good management for achieving the aims. For the purpose of considering grants the Feoffees have regard to Donations Guidelines circulated prior to each meeting and kept under review. Grants are made for community benefit or the relief of hardship in Oxfordshire. In accordance with the terms of the Charity's scheme, the trustees do not apply income directly in relief of rates, taxes or other public funds.

The original endowments were made by citizens of Oxford and are represented by properties close to the city centre yielding substantial rental income. Their income 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. National charities are also considered where they have a sufficient presence in the county to enable them to help those in Oxford or Oxfordshire. The grants made 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, The Gatehouse)
- The advancement of education (e.g. Mulberry Bush School, East Oxford Primary School, St Michael's Oxford Educational Trust)
- The advancement of religion (e.g. Church of the Holy Family, Wesley Memorial Church, St Andrews PCC, 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, Samaritans Oxford, Elmore Community Services, Footsteps Foundation)
- The advancement of citizenship or community development (e.g. Barton Community Association, BK Luwo, Shutford Village Hall)
- 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 £573,201 in 2016, (2015: £386,538) were made to charitable organisations. The 2016 figure includes one grant of £105,000 which is payable over three years. £35,000 was due for payment in the year ended 31st December 2017 with the remaining £35,000 payable in the year ended 31st December 2018. Also shown as a creditor in respect of grants payable is the remaining payment on two separate three year grants awarded in 2014 of £10,000 and £5,000 plus a further £1,340 which is drawn down on demand

The regular grant of £30,000 to the Oxfordshire Historic Churches Trust due in 2015 was made in 2016 as well as that for 2016; in 2016 Oxfordshire Historic Churches Trust was also awarded a further, one off grant of £30,000 towards the funding of church roof alarms, following a spate of thefts of lead roofing.

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

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**Trustees' Report (continued)
for the year ended 31st December 2016**

Achievements and Performance (continued)

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.

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 now awarded four 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; the increase in grants awarded in 2016 appears to have fulfilled hopes that this enables the Feoffees to extend the reach of their charitable giving and applications from charities not previously supported by the Feoffees continue to be received.

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 to fulfil the aims described in the Public Benefit Statement above. These relate to the need to make provision for the Charity's running costs as well as 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 such charitable grants will rise to a material extent. The Charity has allocated a proportion of its reserves for investment in property and securities which are shown within designated funds to be held to safeguard the Charity against an unforeseen drop in income. In such an event, investments within such designated funds can be realised, with the proceeds becoming free reserves. Until this happens the Charity will seek to maintain the designated funds at a level that is, with the income from the permanent endowment, sufficient to meet both existing and increased demands for support. Free reserves are those unrestricted funds which are freely available to the charity and have not been designated for other purposes. As the Charity's income streams are expected to be stable, it is not considered necessary to hold more than 6 months of expenditure (excluding grants) as free reserves.

Reserves Position

At the end of December, the balance held as unrestricted funds was £4,469,163 (2015: £4,337,111) of which £176,524 (2015: £156,939) are regarded as free reserves. Free reserves are those unrestricted funds not invested in tangible fixed assets or in investments. Free reserves exclude restricted funds and funds designated for specific purposes or otherwise committed.

The unrestricted fund expended £816,113 (2015: £705,886) whilst incoming resources were £846,091 (2015: £772,049) and there were net revaluation gains of £103,649 (2015: £36,652).

The Charity set up a designated fund in 2015 for the church organ. The balance in this fund stands at £200,000 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. The net asset analysis is shown in note 9 and movements during the year are shown in note 14. Any income generated from the assets shown under designated funds is applied to the unrestricted fund with the designation applying solely to the capital value of the assets it represents.

Permanent Endowment Position

The Permanent Endowment fund which is shown in the accounts at market value, increased in value by £27,590 (2015: increase of £236,612) due to net revaluation gains of £34,303 (2015: £243,432) and interest of £7 (2015: £nil) during the year combined with investment management expenses of £6,720 (2015: £6,820).

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**Trustees' Report (continued)
for the year ended 31st December 2016**

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 subject thereto (c) to generate income to satisfy current and anticipated donations to the Charity's beneficiaries

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. Each of the Charity's properties was occupied throughout the year and the rents received from the tenants via the managing agents in timely fashion.

During 2016 Flat 2, the top flat at 30 Cornmarket Street, was let on the open market on full commercial terms. As in previous years, Flat 1 has been made available to the Parish for housing church staff.

The Feoffees have for some time been looking to increase their income available for distribution through the purchase of an appropriate investment property. 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 £1,058,783 (inclusive of fees); the rental income is £52,000 per annum. The Feoffees have resolved to secure further suitable property.

The rental income from the properties owned by the Charity is significant in allowing the Charity to undertake its activities in the public benefit.

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. During the year the investments excluding property held by the charity increased in value by £131,239; in 2015 they increased by £47,604.

Plans for the future

Whilst remaining committed to previous and existing applicants and to support for larger projects during 2017, the Feoffees intend to continue to take a proactive approach to seeking out potential recipients. By adopting this approach in 2016 grants to charitable organisations totalled £573,201 (2015: £386,538).

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; two further grants were made on this basis in 2015 and another in 2016; it is intended to make further such grants in appropriate cases. In tandem with this, hopes that the creation of the website mentioned above would increase suitable applications appear to have been borne out by both the increase in grants awarded in 2016 and an increase in applications from charities not previously supported by the Feoffees. Subject to availability of funds, it is hoped these trends will continue.

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.

**St Michael's and All Saints' Charities
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**Trustees' Report (continued)
for the year ended 31st December 2016**

Plans for the future (continued)

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; as described above they have resolved to acquire further property if suitable propositions arise. The Feoffees also seek opportunities to increase revenues from properties they already own if expenditure can yield satisfactory returns.

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

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**Rupert Sheppard
Clerk to the Trustees**

**St Michael's and All Saints' Charities
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(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 2016 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 2016, 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.

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Wenn Townsend
Chartered Accountants and Statutory Auditors
30 St Giles
Oxford OX1 3LE
..... **2017**

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 2016

	General Unrestricted Fund 2016 £	Designated Fund 2016 £	Permanent Endowment Fund 2016 £	Total 2016 £	General Unrestricted Fund 2015 £	Designated Fund 2015 £	Permanent Endowment Fund 2015 £	Total 2015 £
Income and endowments:								
Income from generated funds								
<i>Investment income</i>								
Rents	824,237	-	-	824,237	755,240	-	-	755,240
Interest/dividends	21,854	-	7	21,861	16,809	-	-	16,809
Total income and endowments	846,091	-	7	846,098	772,049	-	-	772,049
Expenditure:								
Costs of generating funds								
Property repairs and expenses	53,490	-	-	53,490	21,487	-	-	21,487
Investment management expenses	-	-	6,720	6,720	-	-	6,820	6,820
Support costs allocation	17,986	787	-	18,773	73,309	-	-	73,309
	71,476	787	6,720	78,983	94,796	-	6,820	101,616
Charitable activities								
Church repairs and expenses	109,115	-	-	109,115	97,167	-	-	97,167
Clergy	44,336	-	-	44,336	54,076	-	-	54,076
Charitable grants (note 5)	573,201	-	-	573,201	386,538	-	-	386,538
Support costs allocation	17,985	788	-	18,773	73,309	-	-	73,309
	744,637	788	-	745,425	611,090	-	-	611,090
Total expenditure	816,113	1,575	6,720	824,408	705,886	-	6,820	712,706
Net income/(expenditure)	29,978	(1,575)	(6,713)	21,690	66,163	-	(6,820)	59,343
Other recognised gains and losses								
Surplus on sale of property	-	-	-	-	-	-	-	-
Realised gains on disposal of investments	-	-	39,311	39,311	-	-	4,517	4,517
Unrealised gains/(losses) on investments	-	103,649	(5,008)	98,641	36,652	-	13,415	50,067
Net movement in funds before transfers	29,978	102,074	27,590	159,642	102,815	-	236,612	339,427
Transfer	(10,393)	10,393	-	-	(4,180,172)	4,180,172	-	-
Net movement after transfers	19,585	112,467	27,590	159,642	(4,077,357)	4,180,172	236,612	339,427
Funds at 1st January 2016	156,939	4,180,172	12,237,095	16,574,206	4,234,296	-	12,000,483	16,234,779
Funds at 31st December 2016	176,524	4,292,639	12,264,685	16,733,848	156,939	4,180,172	12,237,095	16,574,206

**St Michael's and All Saints' Charities
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**Balance Sheet
31st December 2016**

	Note	£	2016 £	£	2015 £
Fixed assets					
Freehold and leasehold properties	2		14,791,783		13,733,000
Fixtures, fittings and equipment	3		3,148		4,723
Investments	4		1,662,393		1,531,154
			16,457,324		15,268,877
Current assets					
Cash at bank			65,886	413,632	
Debtors and prepayments	6		118,440	96,734	
Charities deposit fund			285,225	960,225	
			469,551	1,470,591	
Current liabilities					
Sundry creditors	7		(158,027)	(150,262)	
Net current assets			311,524		1,320,329
Non-current liabilities	8		(35,000)		(15,000)
Net assets			16,733,848		16,574,206
Financed by:					
Unrestricted funds	9 / 14		176,524		156,939
Designated funds	9 / 14		4,292,639		4,180,172
Permanent endowment funds	9 / 14		12,264,685		12,237,095
Total funds			16,733,848		16,574,206

S Stubbings)

) **Trustees**

Very Rev R Wilkes)

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

**Statement of Cash Flows
for the year ended 31st December 2016**

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

	2016	2015
	£	£
Increase in funds	159,642	339,427
Depreciation charge	1,575	1,575
Decrease/(increase) in debtors	(21,706)	6,812
(Decrease)/increase in creditors	27,765	18,525
Interest received	(21,861)	(16,809)
Gains on investments	(131,239)	(47,604)
(Profit)/loss on sale of investment property	-	(225,500)
Net cash flow from operating activities	14,176	76,426
 Cash flow statement		
Net cash flow from operating activities	14,176	76,426
 Returns on investments and servicing of finance		
Interest received	21,861	16,809
Sale of investment property	-	310,000
Purchase of investment property	(1,058,783)	-
Net cash flow before management of liquid resources and financing	(1,022,746)	403,235
Increase in cash	(1,022,746)	403,235
Movement in cash	(1,022,746)	403,235
Net cash at 1st January	1,373,857	970,622
Net cash at 31st December	351,111	1,373,857

**St Michael's and All Saints' Charities
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**Notes to the Accounts
for the year ended 31st December 2016**

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.

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.

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.

**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 2016**

2 Freehold and leasehold properties

	2016	2015
	£	£
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	500
51 Cornmarket Street	2,800,000	2,800,000
2 Frewin Court	445,000	445,000
237 Banbury Road	1,058,783	-
	15,754,283	14,695,500
Divisible between:		
Church Branch	14,791,783	13,733,000
Relief Branch	962,500	962,500
	15,754,283	14,695,500

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. Properties purchased after this date have been included at cost.

3 Fixtures, fittings and equipment

	Total
	£
Cost	
At 1st January 2016 and at 31st December 2016	21,906
Depreciation	
At 1st January 2016	17,183
Charge for year	1,575
At 31st December 2016	18,758
Net book value	
At 31st December 2016	3,148
At 1st January 2016	4,723

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

4 Investments

	Designated Investments	Permanent Endowment Fund	Total
	£	£	£
Market value at 1st January 2016	755,169	775,985	1,531,154
Net gains on revaluation:			
- realised	-	39,311	39,311
- unrealised	103,649	(5,008)	98,641
Management fees	-	(6,720)	(6,720)
Interest	-	7	7
Market value at 31st December 2016	858,818	803,575	1,662,393
Historical cost at 31st December 2016	15,335	793,048	808,383

Investments held

	Designated £	Endowment £	Total £
1,099 COIF Income Shares	15,103	-	15,103
21 COIF Accumulation Shares	2,916	-	2,916
6,183 COIF Accumulation Shares	840,799	-	840,799
13,700 Aberdeen New Thai Investment Trust	-	66,925	66,925
16,750 Aviva Ord GBP0.25	-	81,472	81,472
1,900 Carnival plc Ord USD1.66	-	78,375	78,375
4,441 Easyjet Ord GBP0.25	-	44,632	44,632
33,500 India Capital Growth Fund Ord GBP0.01	-	24,455	24,455
25,150 International Consolidated Airline	-	110,886	110,886
8,600 JP Morgan Indian Inv Trust GBP0.25	-	50,998	50,998
126,000 Lloyds Banking Group Ord GBP0.1	-	78,763	78,763
4,000 Prudential Ord GBP 0.05	-	65,100	65,100
5,175 New India Investment Trust Ord GBP0.25	-	19,199	19,199
7,000 Rolls Royce Group Ord GBP0.20	-	46,760	46,760
6,525 TR European Growth Trust GBP @ 0.125	-	50,536	50,536
7,340 TUI AG Ord	-	85,364	85,364
Cash	-	110	110
	858,818	803,575	1,662,393

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

5 Charitable grants

	2016	2015
	£	£
Abingdon Passion Play	500	-
ACT	3,000	-
Age UK Oxfordshire	7,800	-
Aldates Community Transformation Initiatives	-	3,450
Anjali Dance Company	-	10,000
ARCH	-	6,000
ArkT Centre	-	9,800
Arts at the Old Fire Station	3,000	-
Aspire	-	3,000
Asthma Relief in Oxford	3,600	3,200
Asylum Welcome (£10,000 p.a. over 3 years)	-	30,000
Banbury Young Homeless Project	3,000	-
Barracks Lane Community Garden Project	5,025	3,484
Barton Community Association	2,400	2,400
Berinsfield PCC	3,000	4,427
Blackbird Leys Adventure Playground	3,000	3,000
BK Luwo	2,750	2,000
Bookfeast	2,950	-
Bridgewell Organic Gardens	2,000	-
Campsfield House Chaplains Discretionary Fund	500	-
Community First Oxfordshire	3,000	-
Carterton Educational Trust	-	1,000
Christ Church Cathedral School	-	3,000
Church of the Holy Family	3,000	-
CLAPA	-	500
Clear Sky Children's Foundation	-	5,218
Clic Sargent	2,500	2,500
Count the Kicks	-	500
Create (Arts) Limited	3,000	3,078
Crisis Skylight	4,500	5,000
Cruse Bereavement Care Limited	5,000	5,000
Daybreak	2,700	2,000
Deafblind UK	-	500
Donnington Doorstep	12,000	-
Dorchester Abbey PCC	1,500	-
Dovecote Voluntary Parent Committee	2,500	2,500
Dream Holidays	1,500	1,500
East Oxford Primary School	3,000	2,484
East Oxford United Football Club	1,025	-
Elmore Community Services	6,250	-
Exeter College Vacation Project	1,500	1,500
FAB (Fight against Blindness)	-	-
Fight Against Blindness	3,500	-
Film Oxford	-	2,800
Flexicare	-	3,000
Footsteps Foundation	3,000	3,000
Forest Hill Village Hall Trustees	-	1,600
Full Circle	-	5,000
Green Pastures Nursing Home	2,500	-
Group B Strep Support	500	500
Guideposts Trust	-	3,000
Happy Days Children's Charity	2,786	-
Helen and Douglas House	5,000	7,000

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

5 Charitable grants (continued)

	2016	2015
	£	£
HENRY	8,949	8,949
Hinksey Skulling School	-	2,000
IMPS	3,000	-
Innovista for Leys Youth Programme	11,000	-
John Henry Newman Academy	-	3,000
Joss Searchlight	-	500
Katharine House Hospice	3,000	900
Kencot Village Hall, aka The Carter Institute	-	3,000
KidsOut UK Ltd	-	500
Leys CDI Clockhouse Project	9,000	-
Lifelites	4,000	-
Lighthouse Thame & Villages	4,450	4,240
Lincoln College Vacation Project	6,000	6,000
Listening Books	-	500
Macmillan Cancer Support	-	500
Maggie's	2,000	1,000
Marie Curie Cancer Care	-	500
Meningitis Now	-	500
Missing People	-	500
Motability	-	500
Motor Neurone Disease Association	3,000	3,000
Mulberry Bush School	10,000	10,000
My Life Choice	3,000	3,000
New Marston Pre	1,110	-
New Road Baptist Church	-	3,000
One-Eighty	-	3,000
OOSO	2,829	-
Open Door	4,000	-
Our Bus Bartons	3,000	-
Oxford and District Mencap	8,500	8,500
Oxford Church's Debt Centre	4,000	-
Oxford Community Emergency Food Bank	3,000	3,000
Oxford Community Work Agency	-	1,510
Oxford Family Mediation	11,000	10,000
Oxford Hindu Temple and Community Project	1,000	1,000
Oxford Homeless Pathways	105,000	10,000
Oxford Hub	-	6,000
Oxford Preservation Trust	-	2,500
Oxford Sea Cadets	-	4,500
Oxford Sexual Abuse & Rape Crisis Centre	7,500	7,500
Oxford Street Pastors	1,000	-
Oxfordshire Advocacy	5,600	5,558
Oxford Association for the Blind	7,000	5,000
Oxfordshire Credit Union (£5,000 p.a. over 3 years)	-	15,000
Oxfordshire Historic Churches Trust	90,000	-
Oxfordshire Lowland Search & Rescue	5,000	2,950
Oxfordshire Mind	3,000	-

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

5 Charitable grants (continued)

	2016	2015
	£	£
Oxfordshire Play Association	3,000	2,000
Oxfordshire Youth	3,000	-
Oxpots	500	-
OXS RAD	2,750	3,975
PACT	1,600	-
Parasol	2,300	2,150
Parish Church of St Michael and All Angels	-	5,000
PBC Foundation	-	500
Prison Phoenix Trust	3,800	3,500
Refugee Resource	4,945	4,980
Relate Oxfordshire	8,000	8,000
Revitalise	-	3,806
SAFE	-	2,100
Samaritans Oxford	5,000	-
Scope	-	500
Seesaw	3,000	-
Shine	500	500
Shutford Village Hall	3,000	-
SOFEA	3,000	-
Skill Force	-	2,922
Solomon Academic Trust for Oxford Christian	2,002	-
Soundabout	-	1,500
Sound Resource	-	888
South Oxfordshire Adventure Playground	3,000	-
Spinal Injuries Association	-	500
Sportability	2,000	-
St Andrew's PCC (CWP)	2,500	-
St Matthew's with St Luke's PCC Oxford	5,000	5,000
St Michael's Educational Trust	7,750	-
St Michael's PCC Welfare Fund	3,000	-
Tall Ships Youth Trust	-	3,000
Tandem	-	2,000
Tell Me a Tale	500	-
The Archway Foundation	8,000	-
The Children's Society	-	4,000
The Gatehouse	8,000	-
The Leys Community Development Initiative	-	5,000
The Listening Centre	-	2,500
The Porch Stepping Stone Centre	10,000	-
The Story Museum	1,000	2,500
Thomley Activity Centre	9,700	-
Thrive	-	10,000
Trax Motor Project	-	5,000
Viva Together for Children	5,000	2,500
Wesley Memorial Church	10,000	10,000
Whizz Kidz	-	500
Wolvercote Young People's Club	-	5,000
Wood Farm Parent and Toddler Group	2,768	1,920
Yellow Submarine	3,000	-
Young Dementia	5,000	3,000
Young Women's Music Project	-	500
Reconciliation adjustments	(2,138)	249
	<hr/>	<hr/>
	573,201	386,538

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

6 Debtors and prepayments	2016	2015
	£	£
Under one year:		
Trade debtors	111,441	87,358
Other debtors	4,392	4,078
Prepayments	2,607	5,298
	118,440	96,734
7 Sundry creditors	2016	2015
	£	£
Amounts due in respect of taxation and social security	5,809	9,401
Grants payable	51,340	42,920
Trade creditors	6,990	19,951
Accruals and deferred income	85,015	64,840
Amounts owed to connected charities	8,873	13,150
	158,027	150,262
Deferred income consists of rent in advance: -		
Released from previous year	59,375	69,807
Deferred in current year	71,375	59,375
8 Creditors: amounts falling due in more than one year	2016	2015
	£	£
Grants payable	35,000	15,000

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

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	-	-	-	211,524	(35,000)	176,524
Designated						
- Property Fund	3,330,673	-	-	-	-	3,330,673
- Equipment Fund	-	3,148	-	-	-	3,148
- Investments Fund	-	-	758,818	-	-	758,818
- Organ Fund	-	-	100,000	100,000	-	200,000
Endowment						
- Permanent Endowment Funds	11,461,110	-	803,575	-	-	12,264,685
	<u>14,791,783</u>	<u>3,148</u>	<u>1,662,393</u>	<u>311,524</u>	<u>(35,000)</u>	<u>16,733,848</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.

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 after adjusting for £100,000 which has been allocated to the Organ Fund

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 either from surpluses or by liquidating investments held as a designated fund in future years at an estimated amount of £100,000 per annum.

10 Staff Costs

	2016 £	2015 £
Gross wages	33,421	32,369
Employers National Insurance	2,373	2,240
Employment allowance	(2,970)	(2,000)
Stipend	5,000	11,301
Employers National Insurance on stipend	597	1,466
	<u>38,421</u>	<u>45,376</u>

There were 2 part-time employees during the year. The additional stipend payable to the Vicar has also been included under staff costs as it is paid through the charity's payroll. No employee was paid more than £60,000 in the year.

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

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 £	2016 Total £	2015 Total £
Support costs				
Staff costs	16,710	16,711	33,421	32,609
Professional indemnity insurance	417	416	833	776
Insurance	395	395	790	738
Depreciation	787	788	1,575	1,575
General office expenses and repairs	(2,975)	(2,976)	(5,951)	7,254
Audit fee	3,439	3,439	6,878	6,856
Legal and professional fees	-	-	-	1,350
Office refurbishment	-	-	-	95,460
Total	<u>18,773</u>	<u>18,773</u>	<u>37,546</u>	<u>146,618</u>

12 Trustees' remuneration

No remuneration was paid to any Trustee in their capacity as Trustee (2015: £ Nil).

None of the Trustees was reimbursed for expenses during the year (2015: £ Nil).

The cost of the Trustees' Indemnity Insurance to the charity during the year was £833 (2015: £776).

13 Connected charity

An amount of £8,873 (2015: £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.

14 Analysis of funds

	Opening Balance £	Income £	Expenditure £	Transfer £	Gains / Losses £	Closing Balance £
Unrestricted						
- General Unrestricted "Free" Reserves	156,939	846,091	(816,113)	(10,393)	-	176,524
Designated						
- Property Fund	3,320,280	-	-	10,393	-	3,330,673
- Equipment Fund	4,723	-	(1,575)	-	-	3,148
- Investments Fund	755,169	-	-	(100,000)	103,649	758,818
- Organ Fund	100,000	-	-	100,000	-	200,000
Endowment						
- Permanent Endowment Funds	12,237,095	7	(6,720)	-	34,303	12,264,685
	<u>16,574,206</u>	<u>846,098</u>	<u>(824,408)</u>	<u>-</u>	<u>137,952</u>	<u>16,733,848</u>

**St Michael's and All Saints' Charities
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**Notes to the Accounts (Continued)
for the year ended 31st December 2016**

15 Related parties

During the year ended 31st December 2016, 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, the supplement to his stipend paid by the Trust, and the payments made 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 (2015: £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 :-

Refugee Resource which received an approved grant of £4,945 (2015: £4,980).

Oxford Sea Cadet Force which received an approved grant of £Nil (2015: £4,500)

Miss P Dailey is also a Trustee of Oxford Advocacy which received an approved grant of £5,600 (2015: £5,558).

Until 31st August 2016, Ms R Loseby was a governor of East Oxford Primary School which received an approved grant of £3,000 (2015: £2,484).

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:-

	2016	2015
	£	£
Insurance	5,543	6,353
Church expenses	7,050	12,000
Less: Rebate in respect of previous years	-	(6,477)
Church administration salaries	52,200	45,929
Computer services	2,000	2,200
Music	31,800	32,500
Repairs & maintenance/miscellaneous	10,522	4,662
	109,115	97,167

**St Michael's and All Saints' Charities
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Appendix**

	2016 £	2015 £
(i) Rents receivable		
237 Banbury Road	40,647	-
136 High Street, Oxford (one half)	59,375	59,375
32-36 St Ebbes Street, Oxford	26,500	26,500
30-31 St Ebbes Street, Oxford	37,875	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	106,000
- flat	9,607	4,306
Pennyfarthing Place Land	-	558
Frewin Court	27,233	28,500
	824,237	755,240
 (ii) Investment income		
Deposit fund interest	1,097	4,254
Interest on overdue rent	51	122
Dividends	20,713	12,433
	21,861	16,809

**St Michael's and All Saints' Charities
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Appendix (Continued)**

	2016 £	2015 £
(iii) Property repairs and expenses		
30 Cornmarket Street, Shop Repairs and maintenance	3,038	1,923
30 Cornmarket Street, Flat 1 Repairs and maintenance	758	780
30 Cornmarket Street, Flat 2 Repairs and maintenance	1,017	1,276
136 High Street Repairs and maintenance	4,412	-
30-31 St Ebbes Legal and professional fees	2,064	-
51 Cornmarket Street Insurance	-	(418)
Legal and professional fees	19,149	-
Repairs and maintenance	1,200	-
Property management commission	21,424	17,413
Legal and professional fees	428	513
Total	53,490	21,487
(iv) Church repairs and expenses		
Church expenses	7,050	12,000
Rebate in respect of previous years	-	(6,477)
Church repairs	10,522	4,662
Church administration salaries	52,200	45,929
Computer services	2,000	2,200
Music	31,800	32,500
Church insurance	5,543	6,353
	109,115	97,167
(v) Clergy		
Honorarium	39,336	41,636
Additional payment	5,000	11,301
Employer National Insurance on additional payment	597	1,466
Employer Allowance	(597)	(327)
	44,336	54,076