

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

Accounts
for the year ended
31st December 2016

Wenn Townsend
Chartered Accountants
Oxford

**St Michael's and All Saints' Charities
Relief Branch
(The Church Houses Relief in Need 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 Henry Woudhuysen
The Principal of Jesus College	Sir Nigel Shadbolt
Nominative Trustees	P Warner 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 Gilesq Oxford
Solicitors	Knights Professional Services (formerly Darbys) Midland House West Way Oxford OX2 0PH
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
Relief Branch
(The Church Houses Relief in Need Charity)**

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

Reference and Administrative Information

Please refer to page 1.

Structure, Governance and Management

The Church Houses Relief in Need Charity is regulated by the Scheme sealed 7th May 1980. 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 appointed trustees 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 7th May 1980
Scheme sealed 18th February 1991 (governing The St Michael's and All Saints 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 Trustees of The Church Houses Relief in Need Charity are also Trustees of The St Michael's and All Saints 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 thus ensuring that all the Feoffees exercise full and effective control of the decision making process. Four such meetings were held in 2016.

The Trustees have examined the principal areas of the Charity's operation and considered the major risks in these areas. The Trustees 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

Income of the Charity is applied to relieve, either generally or individually, persons resident in the city of Oxford who are in conditions of need, hardship or distress. Grants may be made to institutions or organisations which provide services or facilities for such people.

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

Public benefit statement 2016

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.

As the aim of the Charity is to relieve persons resident in the city of Oxford who are in conditions of need, hardship or distress, at each trustee meeting the Charity considers grant applications which propose to meet this objective, without any pre-selection, to enable the full and diverse experience of the Feoffees to be available to decide on which grants can be made. The Feoffees look for a clearly stated purpose and outcome and evidence of good management for achieving the aims. The Feoffees do not make grants where the purpose should be fulfilled from public expenditure (from either local or central government). 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. National charities are also considered if they are able to ring-fence the grant to help those in the city of Oxford. There are no other restrictions made and so any group that satisfies the aims of the charity can apply. The full list of groups helped in this way during 2016 is given in Note 6 to the accounts and include Cutteslowe Community Association, Oxford Citizens Advice Bureau, Family Links, and Restore.

Achievements and Performance

The income of the Charity derives from rent of a leasehold property in the centre of Oxford and an investment portfolio managed by WH Ireland Limited. In 2016 there were no grants from The St Michael's and All Saints Charity.

In the course of the year 9 grants to charitable organisations totalling £75,190 (2015: £83,944) were approved.

Financial Review

The income of the Charity is used in the period of its realisation in furtherance of the Charity's stated objectives and reserves are not deemed to be necessary.

Reserves Policy

The Charity maintains reserves in order to fulfil the aims described in its Public Benefit Statement above in the event of a significant loss of income.

Reserves Position

At 31st December 2016, the Charity's free reserves were £19,823 (2015: £20,370). 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.

Total outgoing resources for the year exceeded incoming resources by £7,267 (2015: £20,204).

Permanent Endowment Position

The Permanent Endowment fund which is shown in the Accounts at market value increased in value by £27,737 in the year (2015: increase of £11,047).

Investment Policy

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

Investment Position

The investment portfolio, comprising holdings in internationally diversified equities and fixed interest UK Government Securities is professionally managed.

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

The investments (excluding property) held by the Charity increased in value by £29,482 (2015: £10,540).

Plans for the future

In 2016 the Feoffees expended £75,190 (2015: £83,944) on Relief Branch grants. The Feoffees continue to take a proactive approach to seeking out potential recipients. They will 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.

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 an annual basis. The Feoffees are mindful of the increasing financial pressures to which many of the charities they support are subject and they aim to increase their capacity to award grants.

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 Feoffee received remuneration in the year in their capacity as Trustee.

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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Clerk to the Trustees

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

We have audited the financial statements of St Michael's and All Saints' Charities Relief 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 4, 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
Relief Branch
(The Church Houses Relief in Need Charity)**

**Statement of Financial Activities
for the year ended 31st December 2016**

	Unrestricted Fund 2016 £	Permanent Endowment Fund 2016 £	Total 2016 £	Unrestricted Fund 2015 £	Permanent Endowment Fund 2015 £	Total 2015 £
Income and endowments:						
Rents	59,397	-	59,397	59,375	-	59,375
Investment income	19,934	-	19,934	12,553	-	12,553
Total income and endowments	79,331	-	79,331	71,928	-	71,928
Expenditure:						
Investment management expenses	-	6,720	6,720	-	6,885	6,885
Property expenses	4,674	-	4,674	1,303	-	1,303
Charitable grants (note 6)	75,190	-	75,190	83,944	-	83,944
Bank charges	14	-	14	-	-	-
Total expenditure	79,878	6,720	86,598	85,247	6,885	92,132
Net income/(expenditure)	(547)	(6,720)	(7,267)	(13,319)	(6,885)	(20,204)
Other recognised gains and losses						
Realised (losses)/gains on sale of investments	-	39,465	39,465	-	4,517	4,517
Unrealised gains on investments	1,738	(5,008)	3,270	187	13,415	13,602
Net movement in funds	1,191	27,737	28,928	(13,132)	11,047	(2,085)
Funds at 1st January 2016	35,629	1,738,168	1,773,797	48,761	1,727,121	1,775,882
Funds at 31st December 2016	36,820	1,765,905	1,802,725	35,629	1,738,168	1,773,797

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

**Balance Sheet
31st December 2016**

	Note	£	£	£	2015 £
Fixed assets					
Leasehold properties	2		962,500		962,500
Investments	3		820,726		791,244
			1,783,226		1,753,744
Current assets					
Cash at bank		6,529		3,120	
Charities deposit fund		965		965	
Other debtors		4,392		4,078	
Amounts due from Church Branch		8,873		13,150	
		20,759		21,313	
Current liabilities					
Creditors	4	(1,260)		(1,260)	
Net current assets			19,499		20,053
Net assets			1,802,725		1,773,797
Financed by:					
Unrestricted funds	5		36,820		35,629
Permanent endowment funds	5		1,765,905		1,738,168
Total funds			1,802,725		1,773,797

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) Trustees

Very Rev R Wilkes)

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**St Michael's and All Saints' Charities
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**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
	£	£
(Decrease)/increase in funds	28,928	(2,085)
(Increase)/decrease in debtors	3,963	(17,010)
(Decrease)/increase in creditors	-	(662)
Interest received	(19,934)	(12,553)
Gains on investments	(29,482)	(10,541)
Net cash flow from operating activities	<u>(16,525)</u>	<u>(42,851)</u>
 Cash flow statement		
Net cash flow from operating activities	(16,525)	(42,851)
 Returns on investments and servicing of finance		
Interest received	19,934	12,553
Net cash flow before management of liquid resources and financing	<u>3,409</u>	<u>(30,298)</u>
Increase in cash	<u>3,409</u>	<u>(30,298)</u>
Movement in cash	3,409	(30,298)
Net cash at 1st January 2016	3,120	33,418
Net cash at 31st December 2016	<u>6,529</u>	<u>3,120</u>

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

**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.

Basis of preparation

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 leasehold property is held as an investment and is included at valuation. The property is not depreciated in accordance with Statement of Standard Accounting Practice No. 19.

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 the beginning of the year. Unrealised gains/(losses) are those arising where the investment is still held but the value has changed.

Fund accounting

i) Unrestricted funds

Unrestricted funds are available for the general purposes of the Trust.

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.

Income recognition

Grants payable

Grants are accounted for when approved by the trustees.

Rental income

Rental income is recognised by the period the rent covers.

Investment income

Investment income is accounted for on an accruals basis.

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

Notes to the Accounts (continued)
for the year ended 31st December 2016

2 Leasehold properties at valuation

	2016	2015
	£	£
136 High Street	1,925,000	1,925,000
Divisible between:		
Relief Branch	962,500	962,500
Church Branch	962,500	962,500
	1,925,000	1,925,000

136 High Street was revalued by an independent surveyor on 31st March 2014.

3 Investments

	Unrestricted	Permanent	
	Investments	Endowment	Total
	£	Funds	£
Market value at 1st January 2016	15,259	775,985	791,244
Net gains/(losses) on revaluation:			
- Realised	-	39,465	39,465
- Unrealised	1,738	(5,008)	(3,270)
Management fees		(6,720)	(6,720)
Interest		7	7
Market value at 31st December 2016	16,997	803,729	820,726
Historical cost at 31st December 2016	2,023	670,557	672,580

Investments held

	Unrestricted	Endowment	Total
	£	£	£
1,099 COIF Income Shares	16,997	-	16,997
13,700 Aberdeen New Thai Investment Trust	-	66,025	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	-	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 GBPO.05	-	65,100	65,100
5,175 New India Inv 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 GBP0.125	-	50,536	50,536
7,340 TUI AG Ord	-	85,364	85,364
Cash to re-invest	-	264	264
	16,997	803,729	820,726
	16,997	803,729	820,726

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

4 Creditors

	2016	2015
	£	£
Accruals	1,260	1,260
	<u>1,260</u>	<u>1,260</u>

5 Net asset analysis

	Unrestricted Funds	Permanent Endowment Funds	Total
	£	£	£
Leasehold properties	-	962,500	962,500
Investments	16,997	803,729	820,726
Current assets	20,759	-	20,759
Current liabilities	-	(1,260)	(1,260)
Amounts due between funds	(936)	936	-
	<u>36,820</u>	<u>1,765,905</u>	<u>1,802,725</u>

6 Charitable grants

	2016	2015
	£	£
Arts at the Old Fire Station	-	3,000
Cotteslowe Community Association	5,000	5,000
Donnington Doorstep Family Centre	-	12,000
Emmaus Oxford	-	5,000
Family Links	5,000	10,540
Florence Park Community Association	1,000	1,500
Home-Start Oxford	7,500	7,500
Leys Development Initiative	-	3,000
Oxford CAB	14,794	14,500
Reading Quest	4,896	4,812
Reducing the Risk of Domestic Violence	3,000	2,500
Restore	14,000	12,000
Rose Hill Junior Youth Club	-	2,592
Thrive Barton and Leys	20,000	-
	<u>75,190</u>	<u>83,944</u>

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

7 Trustees' remuneration

No remuneration nor expense reimbursement was paid to any Trustee during the year (2015: £ Nil).

8 Connected charity

St Michael's and All Saints' Charities Church Branch (The St Michael's and All Saints' Charity) is a connected charity by virtue of mutual trustees. An amount of £8,873 was owed from the Church Branch (2015: £13,150 owed to the Church Branch) in respect of rents collected for 136 High Street not yet transferred net of payments made on behalf of the other charity.

9 Related parties

During the year ended 31st December 2016, transactions with related parties were as follows:

Very Rev R Wilkes is also a Trustee of Restore, which received an approved grant of £14,000 (2015: £12,000)

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

**Appendix
for the year ended 31st December 2016**

	2016 £	2015 £
(i) Rents receivable		
136 High Street, Oxford (one half)	59,375	59,375
Interest on overdue rent	22	-
	<hr/> 59,397	<hr/> 59,375
 (ii) Property management expenses		
136 High Street, Oxford (one half)		
Property management expenses	2,488	1,303
Repairs	2,186	-
	<hr/> 4,674	<hr/> 1,303
 (iii) Investment income		
Deposit fund interest	10	56
Dividends received	19,924	12,497
	19,934	12,553