

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

**Church Branch**

**(St Michael's and All Saints' Charity)**

**Accounts**

**for the year ended**

**31st December 2022**

**Wenn Townsend**

**Chartered Accountants**

**Oxford**

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

<b>Charity Number</b>	261304
<b>Ex-officio Trustees</b>	
Vicar of St Michael at the North Gate	Rev A Buckley
The Wardens of St Michael at the North Gate	Mr M Lebus Mrs P Warner
The Rector of Lincoln College	Prof H Woudhuysen
The Principal of Jesus College	Sir Nigel Shadbolt
<b>Nominative Trustees</b>	Ms R Loseby Mr M Lear (Deceased 6th May 2022) Ms S Shibli Miss P Dailey Mr R Earl Mr I Laing
<b>Clerk to the Trustees</b>	Mr R F Sheppard
<b>Assistant Clerk</b>	Mrs J Steele
<b>Address</b>	St Michael's Church Centre Cornmarket Oxford
<b>Auditors</b>	Wenn Townsend 30 St Giles' Oxford OX1 3LE
<b>Bankers</b>	Barclays Bank plc PO Box 858 Wytham Court 11 West Way Botley Oxford
<b>Investment Managers</b>	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
<b>Chartered Surveyors</b>	Savills (UK) Ltd 33 Margaret Street London W1G 0JD
<b>Solicitors</b>	Mills and Reeve LLP 24 William Street London EC4R 9AT

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

**Trustees' Report  
for the year ended 31st December 2022**

**Reference and administrative information**

Please refer to page 1

**Structure, Governance and Management**

The St Michael's and All Saints' Charity is regulated by a Scheme sealed by the Charity Commission 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 nominating 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 2022. These meetings are preceded by meetings of the Property and Investment Committee, formed in 2021 of those Feoffees with skills in investment and property management, to consider in detail financial and investment matters and to make recommendations to the following meetings of all the Feoffees.

The Feoffees 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.

During the year, Professor Katrin Kohl, Vice-Principal of Jesus College, attended meetings in place of Sir Nigel Shadbolt.

**Objectives and Activities**

Summary of the purposes of the charity as set out in its governing document

In accordance with the terms of the Scheme 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 have focussed primarily on assisting charities addressing local needs.

**St Michael's and All Saints' Charities  
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**Trustees' Report (continued)  
for the year ended 31st December 2022**

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts

**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 centre of Oxford where its tower, built shortly before the Norman Conquest, is the oldest surviving building. 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, IT support, expenses and repairs) was £42,666 (2021: £34,916) [note 14]. 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 were £35,614 in 2022 (2021: £32,709) [note 14]. 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.

**C. In aid of the stipends of the clergy officiating at St Michael at the North Gate**

The charity provides an honorarium for the Vicar at St Michael at the North Gate covering his stipend and expenses. The cost of this for the year was £36,872 (2021: £40,391). 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, parish and visitors to the city centre: without this contribution it is currently unlikely that any stipendiary clergy could be allocated to the church by the Diocese in Oxford.

There are few permanent residents within the Parish boundaries, but the Bishop of Oxford recognises the importance of St Michael's in supporting the public benefit by means of both the Vicar's role as City Rector with the Oxford City Council, and his pastoral relations with city centre businesses and visitors. The charity also covers the salaries of the treasurer, church administrator and church caretaker, who support the Vicar in his work.

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

The original endowments were made by citizens of Oxford and are represented by properties close to the city centre. The Charity is fortunate in that the income from these properties and other investments has for many years exceeded the expenditure needed to cover A-C above, enabling it to make grants for religious and other charitable purposes in the public interest. In previous years grants awarded have totalled £149,790 (2021), £215,867 (2020), and £463,155 (2019). In February 2022, the Feoffees reviewed their decision to pay grants from reserves in 2022, as they did in 2021. Cash flow projections indicating a deficit between income and expenditure before any grants, poorer prospects for income in 2023, and the recommendation to invest in the strategic review were together felt to constitute a significant change in outlook, and the trustees reluctantly decided to halt the award of grants until the outcomes of the strategy review had emerged, with this decision being reviewed regularly at trustee meetings.

The trustees' financial situation is considered below under Achievements and Performance, and Financial Review. The possibility of resuming grant awards will be considered towards the end of 2023 and a decision made in the light of the outlook for the trustees' finances.

**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 2022**

**Public benefit statement**

In exercising their powers and duties the Trustees have paid 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 has been directed towards the public benefit in the ways described above.

Policy on grant making

In making grants for such religious and other charitable purposes as the Feoffees decide (in consultation with the Parochial Church Council), 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. Grant applications are considered in the light of Donations Guidelines, prepared by a sub-committee of Feoffees assisted by the Clerk and Assistant Clerk, and then formally adopted at a full meeting of the Feoffees. In accordance with these guidelines, grants have been made mainly for community benefit or the relief of hardship in Oxfordshire, 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 considered where they have a sufficient presence in the county to enable them to help those in Oxford or Oxfordshire. In considering applications, the Feoffees look for a clearly stated purpose and outcome, together with evidence of good management for achieving the aims. The Donations Guidelines are kept under regular review.

In accordance with the terms of the Charity's scheme, the trustees consult with the Parochial Church Council of St Michael's at the North Gate before grants are distributed, and they do not apply income directly in relief of rates, taxes or other public funds.

**Achievements and Performance**

During 2022, the Charity's activities, together with its rental and investment activities continued to feel the full effects of COVID-19 and adverse economic conditions generally. Nevertheless, the Feoffees have continued to manage their affairs effectively, holding three of their four meetings during the year via Zoom, and the last meeting in person. At each of their meetings, the Feoffees review their finances, being supplied with a financial statement of their assets, cash flow forecasts for the following twelve months, comparisons of income and expenditure with the budget for the year to date, and revised forecasts for the financial year end and for twelve to fourteen months ahead. Cash flow forecasts are accompanied by explanatory notes setting out the assumptions upon which the forecasts are based, drawing attention to where the greatest uncertainties in the forecasts lie.

In February 2022, the Feoffees reviewed their decision to pay grants from reserves in 2022, as they did in 2021. Cash flow projections indicating a deficit between income and expenditure before any grants, poorer prospects for income in 2023, and the recommendation to invest in a strategic review of their properties were together felt to constitute a significant change in outlook, and the trustees reluctantly decided to halt the award of grants until the outcomes of the strategy review had emerged, with this decision being reviewed regularly at trustee meetings.

Nevertheless, after meeting the Charity's expenses, the Charity was able to maintain funding for the purposes set out in paragraphs A, B and C above, namely in defraying the cost of repairs to the fabric, furniture, fittings and organ of the Parish Church, the cost of insurance of the Parish Church, the maintenance of music and the provision of music therein, and in aid of the stipends of clergy officiating at the Parish Church.

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

**St Michael's and All Saints' Charities  
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**Trustees' Report (continued)  
for the year ended 31st December 2022**

**Financial Review**

General

The Charity's income has been significantly reduced because of the pandemic, totalling in 2022 £598,134 as compared to £269,577 in 2021, £472,066 in 2020 and £800,990 in 2019. The projected income for the year was substantially improved by the receipt of arrears of rent relating to 2020-21 of around £300,000 close to the year end, negotiated as part of the strategy review. Anticipating continued depressed income and mindful of potential liabilities for rates payable for empty properties, during the year the trustees reluctantly decided to halt grant awards.

At the same time, the trustees decided to commission a strategic review of their property holdings and after considering three suitable firms, engaged Savills, Chartered Surveyors. The aims of the strategy are to regularise rent payments; to renegotiate leases with a view to property income being more easily predictable; to reduce the need for expertise in managing the trustees' property investments; to achieve a more balanced investment portfolio overall by reducing exposure to properties; and to increase the liquidity of unrestricted reserves. The strategy proposed by Savills was adopted by the trustees and is in the course of implementation.

Reserves Policy

The Charity maintains reserves so that it can continue to fulfil the aims described in the Public Benefit Statement above. It believes the holding of such reserves is especially important currently, and that such reserves have been invaluable in safeguarding the Charity against both the unforeseen drop in income caused by the pandemic, and potential liabilities for rates on empty properties.

The Charity has allocated part of its reserves for investment in property and securities as shown within designated funds. If need be, investments within such designated funds can be realised, enabling the proceeds to become "free reserves". In the meantime the Charity will seek to maintain the designated funds at a level that is, together with the income from the permanent endowment, sufficient to meet both existing and increased demands for support.

Reserves Position

At the end of December, the balance held as unrestricted funds was £3,841,662 (2021: £3,754,737) of which £908,484 (2021: 831,446) are regarded as free reserves [Note 13]. 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.

In addition, in order to present clearly 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 8 and movements during the year are shown in note 13. Income generated by the assets in the designated funds is applied to the unrestricted fund with the designation applying solely to the capital value of the assets it represents.

The unrestricted fund expended £321,096 (2021: £423,575) whilst incoming resources were £598,134 (2021: £269,577). The total net movement in funds was £277,038 before the transfers of the designated Church Reserve Repair Fund and Investment Fund (2021: (£153,998)). The designated investment fund had net losses of £74,291 (2021: gains of £106,771) due to realised and unrealised investment losses of £74,291 (2021: gains of £106,771). In addition, in 2022 there were fixed asset revaluation losses of £115,822 (2021: £355,090) [Note 13].

Permanent Endowment Position

The Permanent Endowment fund which is shown in the accounts at market value, decreased in value by £419,917 (2021: decrease of £967,041) due to net revaluation losses of investments £71,245 (2021: net revaluation gains of £107,732) [Note 4] during the year combined with investment management expenses of £1,594 (2021: £5,263) and a net loss on fixed asset revaluation £347,078 (2021: losses of £1,069,510) [Note 2].

**St Michael's and All Saints' Charities  
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**Trustees' Report (continued)  
for the year ended 31st December 2022**

Investment Policy

It is the policy of the Feoffees to invest their funds in property and other assets so as to generate sufficient income to enable the Feoffees to meet their obligations (a) to defray the costs of managing their property and those related to the administration and management of the Charity; (b) to meet the costs of repairs to the fabric of St Michael North Gate and the maintenance of its services, including the provision of music and related insurance; (c) support the stipends of its clergy; and (d) subject thereto, to generate income to fund donations to other beneficiaries of the Charity, at the same time maintaining the real value of the capital of the Charity. In 2021 the Feoffees decided to follow closely the Church of England Ethical Policy on investments by shifting their holdings in COIF Charities Investment funds into the COIF Charities Ethical Investment funds.

Property Investments

The major source of the income of the Charity is rent received from freehold and leasehold properties in the centre of Oxford. In view of the need for decisions on property matters between meetings, the Feoffees have a Property and Investment Sub-Committee at present comprising five Feoffees with experience and expertise in property and investment matters, together with the Clerk. At their meeting in February 2022 the Feoffees delegated routine decisions on property matters to the Committee Chair and the Clerk. Meetings of the Committee now take place in the run up to full meetings of the Feoffees, at which recommendations of the Committee are considered and acted upon.

Most of the Charity's properties were occupied throughout the year but at the start of the year, the dramatic drop in rents since 2020, mainly caused by the pandemic and by the continuing effects of the presence of the extended Westgate shopping centre, showed no sign of reversal. Furthermore, the possibility of tenants vacating properties continually posed the threat of substantial liabilities for rates. Accordingly, the decision was made to commission from Savills, Chartered Surveyors, a strategic review of their property holdings, with the aims described under 'General' above.

Savills' strategy has been adopted by the Feoffees and is now being implemented. The Chair of the Property and Investment Sub-Committee and the Clerk meet with Savills monthly to monitor progress. They then report to the Property and Investment Sub-Committee, which in turn makes recommendations to full meetings of the Feoffees. As a result of judicious negotiations with tenants, rental income has improved, and the ground is being prepared to accomplish the strategic aims of the review.

With effect from the June quarter day, Savills were also engaged to take over the day to day management of the charity's properties; the aims of this service are to ensure that relations with the trustees' occupiers are conducted, and the Feoffees' obligations as property owners are met, in a professional and timely manner. The Feoffees are satisfied these aims are being achieved.

Portfolio Investments

In February 2022, the trustees approved the recommendation of the Property and Investment Committee to sell the investments managed by WH Ireland and to invest them in COIF Charities Ethical Investment Fund Income Units. The investments managed by WH Ireland were part of the permanent endowment and were not as liquid as other comparable investments and these assets were considered unlikely to improve significantly in value. It was also considered over-complicated to have the separation of the investment portfolios between two managers (WH Ireland and CCLA) so it was deemed optimal to have all the investments in the COIF Ethical Investment Fund.

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. During the year the investments excluding property held by the charity decreased in value by £145,536; in 2021 they increased by £214,503. Yearly management fees incurred on the investment portfolio were £1,594 (2021: £5,263). In the current year £nil (2021: £nil) was transferred from the Investment fund to Free reserves.

**St Michael's and All Saints' Charities  
Church Branch  
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**Trustees' Report (continued)  
for the year ended 31st December 2022**

**Plans for the future**

In recent years the Feoffees' main focus, after satisfying prior claims upon their resources available for distribution, has been on making grants to charities meeting various forms of need in Oxford and the surrounding county. Unfortunately, the Feoffees' are faced with declining rental income together with uncertain future investment requirements and outgoings on their property portfolio. The Feoffees have therefore commenced a major strategic review of their property holdings. In the meantime, the Feoffees have regrettably paused the award of grants to third-party charities not related to the Parish Church pending the outcome of the review and its implementation.

Nevertheless, the Feoffees remain committed to supporting charities meeting need in Oxford and the surrounding county in the medium to long term, and it is their intention to resume award of grants as soon as their finances allow. With the assistance of its professional advisers the Feoffees aim to optimise returns on its properties and investments.

**Fundraising Standards Information**

The Charity does not carry out any significant fundraising activities.

**Pay policy for 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 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 2019 (FRS 102);
- 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.

**15th June 2023**

**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**

**Opinion**

We have audited the financial statements of St Michael's and All Saints' Charities Church Branch (the 'charity') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2022, 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**St Michael's and All Saints' Charities**  
**Church Branch**  
**(The St Michael's and All Saints' Charity)**  
**Independent Auditors' Report (continued)**  
**to the Trustees of St Michael's and All Saints' Charities**  
**Church Branch**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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 objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**St Michael's and All Saints' Charities  
Church Branch  
(The St Michael's and All Saints' Charity)  
Independent Auditors' Report (continued)  
to the Trustees of St Michael's and All Saints' Charities  
Church Branch**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

**15th June 2023**

Wenn Townsend is eligible to act as an auditor in terms of section 1212

**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 2022**

		General Unrestricted Fund 2022 £	Designated Fund 2022 £	Permanent Endowment Fund 2022 £	Total 2022 £	General Unrestricted Fund 2021 £	Designated Fund 2021 £	Permanent Endowment Fund 2021 £	Total 2021 £
Note									
<b>Income and endowments:</b>									
<i>Voluntary income</i>									
	Donations	8,232	-	-	8,232	379	-	-	379
<i>Investment income</i>									
	Rents receivable	569,150	-	-	569,150	256,174	-	-	256,174
	Interest/dividends	20,752	-	-	20,752	13,024	-	-	13,024
	<b>Total income and endowments</b>	<b>598,134</b>	<b>-</b>	<b>-</b>	<b>598,134</b>	<b>269,577</b>	<b>-</b>	<b>-</b>	<b>269,577</b>
<b>Expenditure:</b>									
<b>Costs of generating funds</b>									
	Property repairs and maintenance	92,913	-	-	92,913	50,335	-	-	50,335
	Investment management expenses	-	-	1,594	1,594	-	-	5,263	5,263
10	Support costs allocation	27,592	-	-	27,592	28,324	-	-	28,324
		120,505	-	1,594	122,099	78,659	-	5,263	83,922
<b>Charitable activities</b>									
	Church repairs and expenses	136,127	-	-	136,127	126,411	-	-	126,411
	Clergy	36,872	-	-	36,872	40,391	-	-	40,391
5	Charitable grants	-	-	-	-	149,790	-	-	149,790
10	Support costs allocation	27,592	-	-	27,592	28,324	-	-	28,324
		200,591	-	-	200,591	344,916	-	-	344,916
	<b>Total expenditure</b>	<b>321,096</b>	<b>-</b>	<b>1,594</b>	<b>322,690</b>	<b>423,575</b>	<b>-</b>	<b>5,263</b>	<b>428,838</b>
	<b>Net income/(expenditure)</b>	<b>277,038</b>	<b>-</b>	<b>(1,594)</b>	<b>275,444</b>	<b>(153,998)</b>	<b>-</b>	<b>(5,263)</b>	<b>(159,261)</b>
<b>Other recognised gains and losses</b>									
2	Fixed asset revaluation	-	(115,822)	(347,078)	(462,900)	-	(355,090)	(1,069,510)	(1,424,600)
4	Realised gains on disposal of investments	-	(1,060)	(22,823)	(23,883)	-	52,566	(71,875)	(19,309)
4	Unrealised gains/(losses) on investments	-	(73,231)	(48,422)	(121,653)	-	54,205	179,607	233,812
	<b>Net movement in funds before transfers</b>	<b>277,038</b>	<b>(190,113)</b>	<b>(419,917)</b>	<b>(332,992)</b>	<b>(153,998)</b>	<b>(248,319)</b>	<b>(967,041)</b>	<b>(1,369,358)</b>
13	Transfer	(200,000)	200,000	-	-	-	-	-	-
	<b>Net movement after transfers</b>	<b>77,038</b>	<b>9,887</b>	<b>(419,917)</b>	<b>(332,992)</b>	<b>(153,998)</b>	<b>(248,319)</b>	<b>(967,041)</b>	<b>(1,369,358)</b>
	<b>Funds at 1st January 2022</b>	<b>831,446</b>	<b>2,923,291</b>	<b>7,598,436</b>	<b>11,353,173</b>	<b>985,444</b>	<b>3,171,610</b>	<b>8,565,477</b>	<b>12,722,531</b>
	<b>Funds at 31st December 2022</b>	<b>908,484</b>	<b>2,933,178</b>	<b>7,178,519</b>	<b>11,020,181</b>	<b>831,446</b>	<b>2,923,291</b>	<b>7,598,436</b>	<b>11,353,173</b>

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

**Balance Sheet  
31st December 2022**

	Note	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Freehold and leasehold properties	2		8,797,000		9,259,900
Fixtures, fittings and equipment	3		-		-
Investments	4		1,264,697		1,411,827
			<u>10,061,697</u>		<u>10,671,727</u>
<b>Current assets</b>					
Cash at bank			335,410	119,119	
Charities deposit fund			610,225	560,225	
Debtors and prepayments	6		149,133	156,661	
			<u>1,094,768</u>	<u>836,005</u>	
<b>Current liabilities</b>					
Sundry creditors	7		(136,284)	(154,559)	
<b>Net current assets</b>			<u>958,484</u>		<u>681,446</u>
<b>Net assets</b>			<u>11,020,181</u>		<u>11,353,173</u>
<b>Financed by:</b>					
Unrestricted funds	8 / 13		908,484		831,446
Designated funds	8 / 13		2,933,178		2,923,291
Permanent endowment funds	8 / 13		7,178,519		7,598,436
<b>Total funds</b>			<u>11,020,181</u>		<u>11,353,173</u>

The financial statements were approved and authorised for issue by the Feoffees on 15th June 2023.

**Signed on behalf of the Feoffees**

.....  
**A Buckley**

.....  
**R Loseby**

**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 2022**

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

	<b>2022 £</b>	<b>2021 £</b>
Decrease in funds	(332,992)	(1,369,358)
Decrease in debtors	7,528	64,959
(Decrease) in creditors	(18,275)	(65,506)
Interest/dividends received	(20,752)	(13,024)
Loss/(gain) on investments	145,536	(214,503)
Revaluation loss on fixed assets	462,900	1,424,600
<b>Net cash flow from operating activities</b>	<u>243,945</u>	<u>(172,832)</u>
<b>Cash flow from investing activities</b>		
Purchase of investments	(703,913)	(993,738)
Proceeds on sale of investments	705,507	999,001
Interest/dividends received	20,752	13,024
<b>Net cash flow from investing activities</b>	<u>22,346</u>	<u>18,287</u>
<b>Increase/(decrease) in cash</b>	<u><u>266,291</u></u>	<u><u>(154,545)</u></u>
 Movement in cash	 266,291	 (154,545)
Net cash at 1st January	<u>679,344</u>	<u>833,889</u>
Net cash at 31st December	<u><u>945,635</u></u>	<u><u>679,344</u></u>

**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 2022**

**1 General information and accounting policies**

St Michael's and All Saints' Charities is regulated by a Scheme sealed by the Charities Commission on 18th February 1991. The address of the registered office is given in the charity information on page 1 of these financial statements.

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 financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice. 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. The impact of COVID-19 has been taken in to account when reaching this conclusion.

**Fixed assets**

The freehold and leasehold properties are held as investments. These properties were valued by Cluttons LLP as at 31st December 2018. Since then these values had been impacted by the continuing effects on trading patterns in Central Oxford following the opening of the Extended Westgate Centre, and by COVID-19. The Feoffees consider that values have fallen significantly since 2018 but while trading conditions are volatile and valuations unusually uncertain, the Feoffees judge it premature to seek formal revaluations. In these circumstances the Feoffees have decided to reflect the fall in values by an across the board reduction of 38% from their 2018 values (2021: 35% from the 2018 valuations).

**Depreciation**

Investment properties are not depreciated in accordance with prevailing accounting standards, and instead reviewed for impairment at each year end. 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.

**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 2022**

**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.

**Judgements and key sources of estimation uncertainty**

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

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

The judgement that has a significant effect on amounts recognised in the financial statements is the valuation of investments property held by the charity, as detailed in note 2.

**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 2022**

**2 Freehold and leasehold properties**

	1st January 2022 £	Revaluation Adjustment £	31st December 2022 £
Investment property	9,259,900	(462,900)	8,797,000

**Current year split by fund**

	Designated Fund £	Endowment Fund £	Total 2022 £
Investment property	2,192,260	6,604,740	8,797,000

**Prior year split by fund**

	Designated Fund £	Endowment Fund £	Total 2021 £
Investment property	2,308,082	6,951,818	9,259,900

These properties were valued by Cluttons LLP as at 31st December 2018. Since then these values had been impacted by the continuing effects on trading patterns in Central Oxford following the opening of the Westgate Centre, and by COVID-19. The Feoffees consider that values have fallen significantly since 2018 but while trading conditions are volatile and valuations unusually uncertain, the Feoffees judge it premature to seek formal revaluations. In these circumstances the Feoffees have decided to reflect the fall in values by an across the board reduction of 38% from their 2018 values (2021: 35% from the 2018 valuations).

Based on the above valuations, the current year revaluation loss of the property in the Designated fund is £115,822 (2021: £355,090), and the Endowment fund is £347,078 (2021: £1,069,510).

One of the charity's properties is jointly owned (50:50) with the Relief Branch. The value of this property at the end of the year was £0.988m (2021: £1.04m). During the current year a revaluation loss of £26k (2021: £200k) was recognised in the Church and Relief Branch Statement of Financial Activities.

**3 Fixtures, fittings and equipment**

	Total £
<b>Brought forward cost</b>	
At 1st January 2022 and at 31st December 2022	21,906
<b>Accumulated depreciation</b>	
At 1st January 2022 and at 31st December 2022	21,906
<b>Net book value</b>	
At 31st December 2022 and at 31st December 2022	-

**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 2022**

**4 Investments**

	Designated Investments	Permanent Endowment Fund	Total
	£	£	£
Market value at 1st January 2022	765,209	646,618	1,411,827
Additions	26,713	677,200	703,913
Disposals	(26,713)	(677,200)	(703,913)
Net gains/(losses) on revaluation:			
- realised	(1,060)	(22,823)	(23,883)
- unrealised	(73,231)	(48,422)	(121,653)
Management fees	-	(1,594)	(1,594)
	<u>690,918</u>	<u>573,779</u>	<u>1,264,697</u>
Market value at 31st December 2022	<u>690,918</u>	<u>573,779</u>	<u>1,264,697</u>

The net losses on revaluation of investments including amounts recorded in the Statement of Financial Activities in designated funds are £74,291 (2021: gains of £106,771) and permanent endowment funds were losses of £71,245 (2021: gains of £102,469).

Investments held	Designated £	Endowment £	Total £
209,347 COIF Charities Ethical Investment Income Fund - income	-	573,779	573,779
148,446 COIF Charities Ethical Investment Income Fund – accumulation	690,918	-	690,918
	<u>690,918</u>	<u>573,779</u>	<u>1,264,697</u>

**5 Charitable grants**

	2022 £	2021 £
ACT!	-	3,000
Agnes Smith Advice Centre	-	3,000
ARCH	-	3,000
Archway Foundation	-	2,000
Aspire	-	5,000
Asthma Relief in Oxford	-	2,500
Barton Community Association	-	3,000
Berinsfield Information and Advice Centre	-	3,000
Blackbird Leys Adventure Playground	-	2,000
Bookfeast	-	(330)
Bridgewell Organic Gardens	-	1,000
CAB Oxford	-	7,500
CAB Oxfordshire South and Vale	-	2,000
Cherwell Theatre Company	-	2,900
Cotteslowe Community Association	-	2,000
Daybreak Oxford	-	3,000
Donnington Doorstep	-	6,000
Edge Housing	-	5,000
Elmore Community Services	-	5,000
Exeter College ExVac	-	1,000
Happy Days Children's Charity	-	300
Home-Start Oxford	-	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 2022**

**5 Charitable grants (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Leys CDI	-	2,500
Lincoln College Vacation Project	-	2,000
My Life My Choice	-	3,000
One-Eighty	-	2,400
OSARCC	-	8,000
Oxford and District Mencap	-	3,500
Oxford Mutual Aid	-	1,000
Oxford Winter Night Shelter	-	3,000
Oxfordshire Family Support Network	-	5,000
Oxfordshire Play Association	-	1,000
Oxfordshire Youth	-	3,000
OxPIP	-	3,000
Police Community Clubs of GB	-	1,000
Quest for Learning	-	3,500
RAW Workshop	-	4,000
Reducing the Risk of Domestic Abuse	-	3,000
Refugee Resource	-	2,500
Restore	-	3,000
Samaritans Oxford	-	1,000
Seesaw	-	3,000
Shared Knitting and Crocheting	-	500
St Luke's Church	-	3,000
The Oxford Playhouse Trust	-	2,000
The Parasol Project	-	2,520
The Porch	-	5,000
The Syrian Community in Oxford	-	1,000
Thrive Innovista and Oxfordshire	-	4,000
Wood Farm Parent and Toddler Group	-	5,000
Yellow Submarine	-	2,000
Young Women's Music Project	-	1,500
	<hr/>	<hr/>
	-	149,790
	<hr/>	<hr/>

In February 2022, the Feoffees reviewed its decision to pay grants from reserves in 2022 as it did in 2021. Because cash flow projections indicated a deficit between income and expenditure before any grants, prospects for income in 2023 were significantly poorer, and the trustees had accepted the recommendation to invest in a strategic review, it was reluctantly decided to halt the award of grants until the outcomes of the strategy review had emerged, with this decision being reviewed regularly at trustee meetings.

**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 2022**

**6 Debtors and prepayments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Under one year:</b>		
Trade debtors net of provision for doubtful debts	133,428	138,010
Other debtors	-	4,345
Prepayments	15,607	14,306
Amounts owed by connected charities	98	-
	<u>149,133</u>	<u>156,661</u>

**7 Sundry creditors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts due in respect of taxation and social security	12,105	3,630
Grants payable within one year	-	6,000
Trade creditors	3,359	(2,995)
Accruals and deferred income	71,701	104,283
Other creditors	49,119	-
Amounts owed to connected charities	-	43,641
	<u>136,284</u>	<u>154,559</u>
Deferred income consists of rent in advance: -		
Released from previous year	<u>93,669</u>	<u>58,615</u>
Deferred in current year	<u>63,616</u>	<u>93,669</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 2022**

**8 Net asset analysis – 2022**

	<b>Freehold and leasehold properties £</b>	<b>Fixtures fittings and equipment £</b>	<b>Investments £</b>	<b>Net current assets £</b>	<b>Total £</b>
<b>Unrestricted</b>					
- General Unrestricted "Free" Reserves	-	-	-	908,484	908,484
<b>Designated</b>					
- Property Fund	2,192,260	-	-	-	2,192,260
- Investments Fund	-	-	690,918	-	690,918
- Church Reserve Repair Fund	-	-	-	50,000	50,000
<b>Endowment</b>					
- Permanent Endowment Funds	6,604,740	-	573,779	-	7,178,519
	<b>8,797,000</b>	<b>-</b>	<b>1,264,697</b>	<b>958,484</b>	<b>11,020,181</b>

**Net asset analysis – 2021**

	<b>Freehold and leasehold properties £</b>	<b>Fixtures fittings and equipment £</b>	<b>Investments £</b>	<b>Net current assets £</b>	<b>Total £</b>
<b>Unrestricted</b>					
- General Unrestricted "Free" Reserves	-	-	150,000	681,446	831,446
<b>Designated</b>					
- Property Fund	2,308,082	-	-	-	2,308,082
- Investments Fund	-	-	615,209	-	615,209
<b>Endowment</b>					
- Permanent Endowment Funds	6,951,818	-	646,618	-	7,598,436
	<b>9,259,900</b>	<b>-</b>	<b>1,411,827</b>	<b>681,446</b>	<b>11,353,173</b>

General Unrestricted Free Reserves are those funds freely available to use in connection with the charity's principal 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 Investment Fund represents the market value of investments held at the balance sheet date.

The Church Reserve Repair Fund has been established to accumulate funds for anticipated future expenditure on the Church and other associated repairs and maintenance.

**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 2022**

**9 Staff Costs**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Gross wages	37,588	36,183
Employers National Insurance	2,876	2,910
Employment allowance	(2,876)	(2,599)
	<u>37,588</u>	<u>36,494</u>

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

**10 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.

	<b>Cost of generating funds</b> <b>£</b>	<b>Charitable activities</b> <b>£</b>	<b>2022 Total</b> <b>£</b>	<b>2021 Total</b> <b>£</b>
<b>Support costs</b>				
Staff costs	18,794	18,794	37,588	36,494
Insurance	541	541	1,082	1,062
General office expenses and repairs	3,367	3,367	6,734	7,962
Audit fee	3,000	3,000	6,000	5,700
Other accountancy services	1,890	1,890	3,780	5,430
<b>Total</b>	<u>27,592</u>	<u>27,592</u>	<u>55,184</u>	<u>56,648</u>

**11 Trustees' remuneration**

No remuneration was paid to any Trustee in their capacity as Trustee (2021: £ Nil).

None of the Trustees was reimbursed for expenses during the year (2021: £ Nil).

The cost of the Trustees' Indemnity Insurance to the charity for the year was £1,082 (2021: £1,062).

**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 2022**

**12 Connected charity**

An amount of £98 was owed by the St Michael's and All Saints' Charity Relief Branch (The Church Houses Relief in Need Charity) (2021: £43,641 owed to the Relief Branch), a connected charity, in respect of rents collected for 136 High Street not yet transferred.

**13 Statement of funds**

**Analysis of funds - 2022**

	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>Gains / Losses £</b>	<b>Closing Balance £</b>
<b>Unrestricted</b>						
- General Unrestricted "Free" Reserves	831,446	598,134	(321,096)	(200,000)	-	908,484
<b>Designated</b>						
- Property Fund	2,308,082	-	-	-	(115,822)	2,192,260
- Investments Fund	615,209	-	-	150,000	(74,291)	690,918
- Church Reserve Repair Fund	-	-	-	50,000	-	50,000
	2,923,291	-	-	200,000	(190,113)	2,933,178
<b>Endowment</b>						
- Permanent Endowment Funds	7,598,436	-	(1,594)	-	(418,323)	7,178,519
<b>Total funds</b>	11,353,173	598,134	(322,690)	-	(608,436)	11,020,181

Of the £200,000 transferred from free Reserves in the year, £150,000 is a reallocation of investments to the Investment Fund and the remaining £50,000 is to establish the Church Reserve Repair Fund for Church repair costs. The transfer to the latter fund will be an annual transfer moving forward.

**Analysis of funds - 2021**

	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>Gains / Losses £</b>	<b>Closing Balance £</b>
<b>Unrestricted</b>						
- General Unrestricted "Free" Reserves	985,444	269,577	(423,575)	-	-	831,446
<b>Designated</b>						
- Property Fund	2,663,172	-	-	-	(355,090)	2,308,082
- Investments Fund	508,438	-	-	-	106,771	615,209
	3,171,610	-	-	-	(248,319)	2,923,291
<b>Endowment</b>						
- Permanent Endowment Funds	8,565,477	-	(5,263)	-	(961,778)	7,598,436
<b>Total funds</b>	12,722,531	269,576	(428,838)	-	(1,210,097)	11,353,173

**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 2022**

**14 Related parties**

During the year ended 31st December 2022, transactions with related parties were as follows:

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

Lincoln College Vacation Project which received an approved grant of £nil (2021: £2,000).

During the year, Sir Nigel Shadbolt, Prof H Woudhuysen, Mr M Lear, Mr R Earl, Mr M Lebus, the Reverend A Buckley and Mrs P Warner were also Trustees of St Michael's Oxford Educational Trust.

The Reverend A Buckley, Mr R Earl, Mrs P Warner, Miss P Dailey and Mr M Lebus were 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: -

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Church expenses (including IT and insurance)	16,607	33,364
Church repairs	26,059	1,552
Church administration salaries	61,528	60,626
Music	35,614	32,709
Budget shortfall not accrued	(3,681)	(2,241)
Vat	-	401
	<u>136,127</u>	<u>126,411</u>

At the year end, an amount of £Nil (2021: £7,841) was due from St Michael at the North Gate with St Martin and All Saints.

**The following pages do not form part of the statutory accounts**

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

**(i) Rents due in the year**

	Rent due £	Bad debt £	Net rent 2022 £	Net rent 2021 £
237 Banbury Road				
- Current year	53,368	-	53,368	53,368
- Parking	10,000	-	10,000	10,000
136 High Street, Oxford (one half)	6,000	-	6,000	7,000
32-36 St Ebbes Street, Oxford	26,500	-	26,500	26,500
30-31 St Ebbes Street, Oxford	22,950	-	22,950	22,950
48-50 Cornmarket Street, Oxford				
- Clarks (turnover basis)	80,080	-	80,080	47,422
- L'Occitane via sub tenancy	245,596	-	245,596	-
51 Cornmarket Street				
- shop tenant	83,333	(31,250)	52,083	25,000
- office	43,750	(43,750)	-	-
30 Cornmarket Street, Oxford				
- shop tenant	107,500	(53,750)	53,750	51,828
- flat	13,823	-	13,823	12,106
Frewin Court	31,500	(31,500)	-	-
Other – scaffold licence	5,000	-	5,000	-
	<u>729,400</u>	<u>(160,250)</u>	<u>569,150</u>	<u>256,174</u>

The COVID-19 pandemic has had a significant impact on the charity and several of its tenants and there were significant arrears at 31st December 2021. As a result of the efforts of the Charity's strategic advisers, bad debts as at 31st December 2022 were reduced to £160,250 (2021: £448,079) and rent received during the year totalled £569,150 (2021: £256,174). It is hoped that some of the amount shown above as "bad debt" can be recovered in the 2023 financial year. At the date of approving these accounts some arrears remain in place and it is felt prudent to make a full provision against these arrears in this set of accounts while the agent continues to try to collect the amounts due. If some or all of the arrears are subsequently considered to be recoverable (or are paid by the tenant), the provision will be reversed and these sums will then be shown as income in the accounting period in which that happens.

**(ii) Investment income**

	2022 £	2021 £
Deposit fund interest	5,443	79
Interest on overdue rent	10	1
Dividends	15,299	12,944
	<u>20,752</u>	<u>13,024</u>

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

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>(iii) Property repairs and expenses</b>		
30 Cornmarket Street, Shop		
Repairs and maintenance	-	72
Irrecoverable insurance	881	-
30 Cornmarket Street, Flat 2		
Repairs and maintenance	526	3,082
30 Cornmarket Street, Office		
Repairs and maintenance	-	1,732
28-31 St Ebbe's		
Legal and professional fees	7,584	-
32-36 St Ebbe's		
Legal and professional fees	2,100	-
136 High Street		
Repairs and maintenance	375	2,802
Irrecoverable insurance	1,565	-
Legal and professional fees	4,159	-
48-50 Cornmarket Street		
Legal and professional fees	480	2,949
51 Cornmarket Street		
Legal and professional fees	9,167	-
Irrecoverable insurance	8,460	-
Repairs and maintenance	19,913	25,046
237 Banbury Road		
Irrecoverable insurance	1,178	-
Legal and professional fees	1,890	-
Frewin Court		
Irrecoverable insurance	1,787	-
Legal and professional fees	2,535	-
<b>Property management commission</b>	<b>15,313</b>	<b>14,652</b>
Strategy review	15,000	-
<b>Total</b>	<b>92,913</b>	<b>50,335</b>
<b>(iv) Church repairs and expenses</b>		
Church expenses (including IT and insurance)	16,607	33,364
Church repairs	26,059	1,552
Church administration salaries	61,528	60,626
Music	35,614	32,709
Budget shortfall not accrued	(3,681)	(2,241)
Less element of VAT grant owed by SMNG	-	401
	<b>136,127</b>	<b>126,411</b>
<b>(v) Clergy</b>		
Honorarium	36,872	40,391

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

**(vi) Freehold and leasehold properties**

	1st January 2022 £	Revaluation Adjustment £	31st December 2022 £
32-36 St Ebbes Street	267,150	(13,150)	254,000
48-50 Cornmarket Street	3,737,500	(186,500)	3,551,000
136 High Street *(50% of total)	520,000	(26,000)	494,000
30 Cornmarket Street	1,521,000	(76,000)	1,445,000
30-31 St Ebbes Street	513,500	(25,500)	488,000
51 Cornmarket Street	1,612,000	(81,000)	1,531,000
2 Frewin Court	357,500	(18,500)	339,000
237 Banbury Road	731,250	(36,250)	695,000
	9,259,900	(462,900)	8,797,000

Current year split by fund

	Designated Fund £	Endowment Fund £	Total 2022 £
32-36 St Ebbes Street	-	254,000	254,000
48-50 Cornmarket Street	-	3,551,000	3,551,000
136 High Street *(50% of total)	-	494,000	494,000
30 Cornmarket Street	1,153,110	291,890	1,445,000
30-31 St Ebbes Street	-	488,000	488,000
51 Cornmarket Street	207,604	1,323,396	1,531,000
2 Frewin Court	339,000	-	339,000
237 Banbury Road	492,546	202,454	695,000
	2,192,260	6,604,740	8,797,000

Prior year split by fund

	Designated Fund £	Endowment Fund £	Total 2021 £
32-36 St Ebbes Street	-	267,150	267,150
48-50 Cornmarket Street	-	3,737,500	3,737,500
136 High Street *(50% of total)	-	520,000	520,000
30 Cornmarket Street	1,213,758	307,242	1,521,000
30-31 St Ebbes Street	-	513,500	513,500
51 Cornmarket Street	218,587	1,393,413	1,612,000
2 Frewin Court	357,500	-	357,500
237 Banbury Road	518,237	213,013	731,250
	2,308,082	6,951,818	9,259,900

136 High Street is jointly owned (50:50) with the Relief Branch, the value of the property at the end of the year was £1.04m (2021: £1.04m). During the prior year a revaluation loss of £Nil (2021: £80k) was recorded in the Church and Relief Branch Statement of Financial Activities.

The Feoffees arrange for independent valuations of the properties on a quinquennial basis, the last such valuations being as at 31st December 2018. For reasons stated in Notes 1 and 2 to the accounts above, the Feoffees consider that values have fallen significantly since 2018 but while trading conditions are volatile and valuations unusually uncertain, the Feoffees judge it premature to seek formal revaluations. In these circumstances the Feoffees have decided to reflect the fall in values by an across the board reduction of 38% from their 2018 values (2021: 35% from the 2018 valuations).