

The Community of the Resurrection

(A company limited by guarantee and not having a share capital)

Trustees' Report and Audited Financial Statements

For the year ended 31st August 2008

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Contents:	Information	Page	1
	Trustees' Annual Report	Pages	2 - 7
	Independent Auditor's Report	Pages	8 - 9
	Statement of Financial Activities	Page	10
	Summary Income and Expenditure Account	Page	11
	Statement of Total Recognised Gains and Losses	Page	12
	Consolidated Balance Sheet	Page	13
	Company Balance Sheet	Page	14
	Notes to the Financial Statements	Pages	15 - 31

Trustees: George Paul Alfred Guiver
Aidan Anthony Mayoss
Peter George Allan
Thomas Christopher John Seville
Oswin Philip Gartside

Secretary/Bursar: Ruth Frances Lindsey

Company Registration Number: 247772

Charity Registration Number: 232670

Registered Office: The House of the Resurrection
Stocksbank Road
Mirfield
West Yorkshire
WF14 0BN

Auditors: Forrest Burlinson
20 Owl Lane
Dewsbury
WF12 7RQ

Bankers: HSBC plc
Market Place
Dewsbury
WF13 1DH

Central Board of Finance
of the Church of England
St Alphage House
2 Fore Street
London
EC2Y 5AQ

Investment Brokers: Brewin Dolphin Securities
12 Smithfield Street
London
EC1A 9BD

The trustees' present their annual report and the independently audited financial statements for the year ended 31st August 2008.

The Community was founded in 1892, to act as an Association of Christians who desire to follow the Gospel life after the pattern of those recorded in the Acts of the Apostles of whom it is said that 'they continued steadfastly in the Apostles' teaching and in the fellowship, in the breaking of the bread and in the prayers and the company of those who believed were of one heart and one soul, and no one said that any of these things which he possessed was his own, but they have everything in common.'

Members of the Community of the Resurrection follow a daily routine of prayer and worship. The Community undertakes charitable work at home and overseas, this includes pastoral, evangelistic, literary, educational and other charitable works for the advancement of religion. The Community also makes grants and gives support to others engaged in similar activities.

The Community also has the support of an organisation of non-monastic affiliates called the Companions of the Resurrection.

Objects

The Objects of the Charity are for the public benefit:

- the advancement of religion
- the advancement of religious education
- the advancement of such other charitable purposes beneficial to the community.

The Frere Educational Trust (the College of the Resurrection) and others

The Frere Educational Trust is a subsidiary company of the Community, being a company limited by guarantee and not having a share capital. The Trust has one member, the Community of the Resurrection. The principal activity of the Trust is the work of the College of the Resurrection, which is committed to theological education and, particularly, the formation of candidates for ordination in the Church of England.

The Trustees of the Frere Educational Trust have been granted responsibility for the use of the Frere Fund (a restricted fund) by the Community. The College is permitted to use designated buildings belonging to the Community on a rent and rates free basis. Expenditure on the upkeep of these buildings and various other costs incurred by the Community on behalf of the Frere Educational Trust are recharged at cost and not specifically identified within the financial statements. Further details of transactions between the Community and the Frere Educational Trust are given in the notes to the consolidated financial statements which will be submitted to the Annual General Meeting for approval.

The Community also has links with the Northern Ordination Course (registered charity 1067982), whose objectives are the advancement of Christian religion by the promotion of theological education and training. Some of this charity's work is done at and in partnership with the Community's Mirfield Centre. The Mirfield Centre also hosts the ecumenical Adult Education Project set up by the Community in 2005.

Structure, Governance and Management

The Community is a company limited by guarantee and not having a share capital is governed by its Memorandum and Articles of Association.

The directors of the Company are its trustees for the purpose of charity law and throughout this report are referred to as the trustees. The trustees as Charity Trustees have control of the Community and its property and funds.

Each member undertakes to contribute to the assets of the Company towards the costs of dissolution and the liabilities incurred by the Community whilst he or she was a member.

The trustees named on page 1 have served throughout the year except where indicated.

The Community is administered by the Trustees, who meet regularly to consider all matters in accordance with the Community's objectives and policies.

A long established committee system is also in operation designed to oversee all aspects of the Community's objectives, (including grants and scholarships), subject to the approval of General Chapter and the trustees. Lay staff assist Brethren in the running of the Community.

The Community recognizes that it has a responsibility to provide guidance and assist new trustees in fulfilling their duties and responsibilities, this is done in accordance with Charity Commission guidance. New trustees are given appropriate Charity Commission publications and new trustees are only encouraged from the Community of the Resurrection members who have sufficient experience.

Financial Control and Scrutiny

Each year two members of the Community's Brethren are elected as Scrutineers. In this role they analyse the accounts (clarifying issues as necessary) and attach a report of their findings to the accounts presented at the Annual General Meeting.

The Community is also subject to a quinquennial Visitation by the Community Visitor, a Church of England Bishop, this results in a report covering all aspects of the Community's activities, including financial procedures.

As well as having professional advisors in finance, architectural, building and maintenance services, legal and employment matters, the Community receives updates from Church bodies and by virtue of membership of the Association of Provincial Bursars.

The Community has an Investment Committee in London, organised by its stockbrokers. Meetings are held approximately every two months to determine investment policy and assess portfolio performance. Membership includes individuals with relevant experience and qualifications. A valuation of the Community's investments together with a report on the performance of the portfolio and a review of the markets and outlook for national and global economies is required by the Trustees every six months.

A Finance Manual for the Community was approved by the Trustees in July 2007.

This sets out the key policies, procedures and processes for the conduct of financial affairs.

Key Policies

Reserves policy - To maintain the capital of each fund, as detailed in the financial statements, in order to generate income which is used to support the objectives of the Community.

Investment policy - Investments are mainly held in the form of quoted investments, treasury stocks or bank accounts. The Trustees long term objective is to protect the real value of the Community's endowed capital and the income arising, whilst not incurring undue risk.

The Trustees seek a medium risk profile with no set limits to the proportion of the portfolio which can be held in cash, UK Government securities, fixed interest securities or equity-based investments, with the notable exception that no one direct equity holding in any company may exceed 5% of the value of the total portfolios.

Policy for making donations and grants - The Community receives requests for charitable donations, as well as individual Brethren suggesting projects or organisations worthy of and needing financial support. Projects and organisations are considered on their merits and whether they would support the overall aims of the Community.

Apart from small ecumenical scholarships, no grants are made to individuals and in practice grants are awarded for medical, educational or religious activities.

Brothers' Capital and Income

When Brethren join the Community, the capital which they possess may be given to the Community to hold on trust on their behalf. Any such capital is invested in either quoted investments or treasury stocks in the name of the Brother. Any income generated from these investments is given by the Brethren to the Community to use as the Community sees fit.

At the year end the Community held, on behalf of the Brethren, investments with a book value of £793,974 (2007: £1,091,801) and a market value of £1,876,372 (2007: £2,447,354). The documentation in respect of these investments is retained by the Community's stockbrokers, who manage them in a specific Nominee Account. The investments owned by individual Brethren at the year end included a total of £12,849 (2007: £185,138) cash held by the Community's stockbrokers. Income from Brothers' Capital during the period totalled £90,645 (2007: £99,132).

Risk Management

From time to time the Trustees review the position of the Community and the risks it faces. As part of this review the Trustees put in place contingency plans to mitigate those risks, should they arise. Risks in key areas are identified and recorded in a risk register. A Risk Management and Disaster Recovery Plan has also been developed.

Staffing

A significant proportion of the running of the Community is performed by the Trustees and other Brethren who do not receive any remuneration. Employees are consulted on issues of concern to them by means of consultative and staff meetings.

Achievements and performance

The House of the Resurrection at Mirfield continues to attract visitors seeking an individual or group retreat. The volume of demand on the Community's resources continues.

In the year the Trustees have continued their working at establishing procedures and modes of working. They have taken advice from various quarters and have begun to explore expanding on the range of expertise upon which they draw.

The Community continues to give considerable attention to the appropriate use and adaptation of its buildings, with a view to generating a more significant and sustainable flow of income. Work on the new kitchen and refectory at the College of the Resurrection was completed early in the year and will play a significant role in achieving these objectives.

The Director of Adult Education has successfully developed her project and in addition has become overall Director of the Mirfield Centre, which runs popular and successful day events and short conferences. The Mirfield Centre is developing a programme of work with local schools, providing facilities for staff development, and events for pupils.

Activities continue to be organised abroad, especially in South Africa and above all in Zimbabwe. An appeal for funds for Zimbabwean projects is proving very successful, and the projects are overseen by twice-yearly visits.

Future Developments

A scheme has been set in motion for converting the Community House into flats, and for building alternative and more suitable accommodation for the Community. At the same time plans are advanced for a major refurbishment of the Church and for an appeal to raise funds to pay for that. A range of expert and consultancy help has been drawn upon to enable this.

A review of overall operations on the site has been instituted, with a view to rationalising use of plant, resources and staff. The bookshop continues to do well, and there are hopes for providing larger facilities in the longer term in order to enable this small but valuable activity to expand. Such larger facilities it is hoped will in due course be of benefit to the groups that use the site for residential or day visits.

Financial review

The charity's consolidated income for the year was £1,606,587. This is due to donations and guest income, legacies, income from investments, brethren pensions and the sale of religious literature, as well as income from the College of the Resurrection and the Mirfield Centre. Overall this represents an increase in consolidated income when allowing for the 16 month period in 2007 and the profit on disposal of land made in 2007, with which the trustees are satisfied.

Expenditure remains at similar levels as in 2007. Maintenance costs have fallen from a high level in 2007 and other costs have either fallen or risen in line with general economic conditions. There has been no significant change in the level of activities to report.

The charity has seen an overall increase in resources from all donations and activities of £29,963. This surplus is however after non-recurring legacies of £435,143 and income from investments of £231,006. In addition £67,940 has been realised from the sale of investments in the year.

The Trustees report that £703,778 has been lost from the value of the charity's investments in the year and that they continue to be in close contact with the charity's investment advisors through the Investment Committee in London, during this difficult time for the financial markets.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the financial statements.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Community's incoming resources and application of resources during the year and of its financial position at the end of the year.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice and:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Community and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the auditors

At the date of the making of this report each of the Trustees, as set out on page 1, confirms the following statements:

- a) so far as each Trustee is aware, there is no relevant audit information of which the company's (the Community's) auditors are unaware; and
- b) each trustee has taken all steps that they ought to have taken as directors in order to make himself aware of any relevant information needed by the company's auditors and to establish that the company's auditors are aware of that information.

Auditors

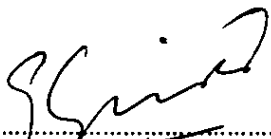
On 12th June 2008 Grant Thornton UK LLP resigned as auditors to the Community. A notice under Section 516 of the Companies Act 2006 was issued on 4th September 2008 stating that there were no circumstances connected with Grant Thornton UK LLP ceasing to hold office which they considered should be brought to the attention of the members or creditors of the company.

With effect from the same date the Trustees appointed Forrest Burlinson of Dewsbury as auditors to the Community to succeed Grant Thornton UK LLP. A resolution to reappoint Forrest Burlinson as auditors of the company will be proposed at the forthcoming Annual General Meeting.

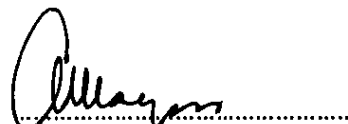
Approval

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the trustees on 26th January 2009 and signed on their behalf by:



George Paul Alfred Guiver
Trustee
The Community of the Resurrection



Aidan Anthony Mayoss
Trustee
The Community of the Resurrection

We have audited the group and parent financial statements of The Community of the Resurrection for the year ended 31 August 2008 set out on pages 10 to 31. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

The financial statements of the charity as of 31 August 2007, were audited by another auditor whose report dated 24 April 2008, expressed an unqualified opinion and was unmodified.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the trustees' report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of audit opinion

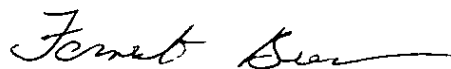
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31st August 2008 and of the group's surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.



Forrest Burlinson

Chartered Accountants and Registered Auditor

26th January 2009

20 Owl Lane
Shawcross
Dewsbury
WF12 7RQ

for the year ended 31st August 2008

					Total year ended 31 August 2008 £	Total 16 month period ended 31 August 2007 £
	Note	Unrestricted Funds £	Restricted £	Endowment £		
Incoming Resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income						
Donations and guest income		242,909	48,453		291,362	387,497
Legacies		435,143			435,143	305,939
Investment income						
Income from investments		224,032	6,974		231,006	312,108
Income tax recoverable		—			—	28,100
Interest receivable		28,887	3,749		32,636	41,508
Dividend income from Brethren's investments		90,645			90,645	99,132
<i>Incoming resources from charitable activities:</i>						
Grants, board and lodgings		326,421			326,421	297,253
Supply of adult religious education		12,876			12,876	49,948
Sale of religious literature		14,741			14,741	21,448
Carrying out religious activities		10,427			10,427	8,642
<i>Other incoming resources:</i>						
Royalties on hymns and books		3,218			3,218	4,605
Brethren's pensions		152,672			152,672	191,510
Other income		4,590			4,590	17,850
Net profit on disposal of fixed assets		850			850	390,160
Total Incoming Resources available for charitable activities		1,547,411	59,176	—	1,606,587	2,155,700
Resources expended						
Cost of generating funds						
Cost of generating voluntary income	3	259,200			259,200	337,985
Investment management expenses	4	22,850			22,850	13,454
Charitable activities						
Grants payable	5	14,823	19,963		34,786	53,164
Supply of adult religious education	6	49,864			49,864	142,308
Sale of religious literature	7	23,724			23,724	9,575
Carrying out religious activities	8	34,188			34,188	47,171
Governance costs	9	17,304			17,304	16,660
Other resources expended	10	1,134,708			1,134,708	1,324,200
Total resources expended		1,556,661	19,963	—	1,576,624	1,944,517
Net Income for the year	11	(9,250)	39,213	—	29,963	211,183
Other recognised gains/losses						
Net realised gains/(losses) on sale of investments		69,027	(1,087)		67,940	77,762
Net unrealised gains/(losses) on investment assets		(667,809)	(30,910)	(5,059)	(703,778)	289,413
Net movement in funds	19	(608,032)	7,216	(5,059)	(605,875)	578,358
Total funds at 1st September		8,539,913	423,032	32,452	8,995,397	8,417,039
Total funds at 31st August	2	7,931,881	430,248	27,393	8,389,522	8,995,397

All of the above results relate to continuing activities and relate to unrestricted funds.
There were no recognised gains or losses for the year ended 31st August 2008 or the year ended 31st August 2007 other than those included in the Statement of Financial Activities.

The Community of the Resurrection
Summary Income and Expenditure Account
for the year ended 31st August 2008

Company Registration No. 246351

Charity Registration No. 529320

	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
Total income from continuing operations	1,606,587	2,155,700
Total expenditure on continuing operations	(1,576,624)	(1,944,517)
Net Income from continuing operations	29,963	211,183
Gains on disposal of fixed asset investments	67,940	77,762
Net Income for the year	97,903	288,945

The summary income and expenditure account is derived from the statement of financial activities on page 10, which together with the notes to the financial statements on pages 15 to 31 provides full information on the movements during the year on all the funds of the Community.

The Community of the Resurrection
Statement of Total Recognised Gains and Losses
for the year ended 31st August 2008

Company Registration No. 246351
Charity Registration No. 529320

	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
Net income for the year	97,903	288,945
Net unrealised losses on investment assets	(703,778)	289,413
Total recognised gains and losses relating to the year	(605,875)	578,358

The Statement of Total Recognised Gains and Losses is derived from the statement of financial activities on page 10, which together with the notes to the financial statements on pages 15 to 31 provides full information on the movements during the year on all the funds of the Community.

The Community of the Resurrection
Consolidated Balance Sheet
for the year ended 31st August 2008

Company Registration No. 247772

Charity Registration No. 232670

	Note	Total 2008 £	Total 2007 £
Fixed Assets			
Tangible fixed assets	14	3,494,736	3,521,331
Investments	15	4,341,370	4,255,583
		<u>7,836,106</u>	<u>7,776,914</u>
Current Assets			
Stock	16	8,527	19,321
Debtors	17	1,193	13,196
Cash at bank and in hand		649,084	1,375,594
		<u>658,804</u>	<u>1,408,111</u>
Creditors: Amounts falling due within one year	18	(105,388)	(189,628)
Net Current Assets		<u>553,416</u>	<u>1,218,483</u>
Net Assets		<u>8,389,522</u>	<u>8,995,397</u>

The funds of the charity:

Unrestricted funds:

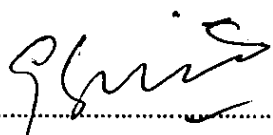
General funds	19	4,023,011	4,295,703
Designated funds	19	3,908,870	4,244,210

Restricted funds:	19	430,248	423,032
Endowment fund:	19	27,393	32,452

Total Funds	20	<u>8,389,522</u>	<u>8,995,397</u>
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The notes on pages 15 to 31 form part of these accounts.

The financial statements were approved by the Board on 26 January 2009 and signed on their behalf by:



George Paul Alfred Guiver
Trustee/Director
The Community of the Resurrection

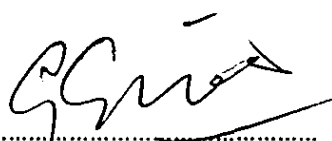
The Community of the Resurrection
Company Balance Sheet
for the year ended 31st August 2008

Company Registration No. 247772
Charity Registration No. 232670

	Note	Total 2008 £	Total 2007 £
Fixed Assets			
Tangible fixed assets	14	3,484,829	3,510,700
Investments	15	4,320,519	4,255,135
		<u>7,805,348</u>	<u>7,765,835</u>
Current Assets			
Stock	16	8,527	19,321
Debtors	17	775	11,799
Cash at bank and in hand		500,606	1,262,336
		<u>509,908</u>	<u>1,293,456</u>
Creditors: Amounts falling due within one year	18	(83,920)	(172,009)
Net Current Assets		<u>425,988</u>	<u>1,121,447</u>
Net Assets		<u>8,231,336</u>	<u>8,887,282</u>
The funds of the charity:			
Unrestricted funds:			
General funds	19	4,217,941	4,295,704
Designated funds	19	3,555,754	4,136,094
Restricted funds:	19	430,248	423,032
Endowment fund:	19	27,393	32,452
Total Funds		<u>8,231,336</u>	<u>8,887,282</u>

The notes on pages 15 to 31 form part of these accounts.

The financial statements were approved by the Board on 26 January 2009 and signed on their behalf by:



George Paul Alfred Guiver
Trustee/Director
The Community of the Resurrection

1 Accounting Policies

1.1 Basis of preparation of accounts

The financial statements are prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and applicable UK Accounting Standards and the Companies Act 1985.

The accounts have been prepared in accordance with the historical cost convention except as modified for the revaluation of investments.

1.2 Company status and consolidation

The Charity is a company limited by guarantee and having no share capital and a registered charity. The Trustees of the charity are as listed on page 1.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

These are consolidated accounts representing the accounts of the Community and its subsidiary company, the Frere Educational Trust, at 31st August 2008.

The results of the subsidiary company have been consolidated on a line by line basis.

The accounts of the subsidiary company are independently audited.

The Community has taken advantage of section 230 of the Companies Act 1985 and has not included its own income and expenditure account in these financial statements.

1.3 Funds structure

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The Charity has restricted funds as detailed below.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Donation of services and facilities: are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

Legacies: entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. No value is included where the legacy is subject to a life interest held by another party.

Gifts in Kind: are included at valuation where their value is ascertainable and material.

Income from grants, board and lodgings is included in the period in which the charity is entitled to receipt.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category and include Value Added Tax.

Costs of Generating Funds: comprise the costs associated with attracting voluntary income.

Charitable Activities: comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the Charity, including the costs of disseminating information in support of charitable activities. These costs include staff costs, wholly or mainly attributable support costs and general overhead costs.

Governance Costs: comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the Charity and its compliance with regulation. These costs include external audit and trustee costs.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. The Community has not capitalised certain of its freehold land and buildings, which it has owned for several years and which are held purely to enable the objectives of the Community to be achieved. Further details are below.

Depreciation is provided on the cost of tangible fixed assets, except freehold land, at rates calculated to write off the cost on a straight-line basis over their useful economic lives.

The rates used are as follows:

Freehold buildings	over 50 years, straight line on cost
Long leasehold buildings	over 50 years, straight line on cost
Fixtures and fittings	over between 4 and 20 years, straight line on cost

1.7 Investments

Investments are stated at market value. Realised and unrealised gains on investments are accounted for separately in the statement of financial activities.

1.8 Stock

Stock is valued at the lower of cost and estimated net realisable value.

1.9 Taxation

No corporation tax has been provided in these accounts because the trustees believe that the income and gains of the charity are within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

1.10 Grants

The Charity makes discretionary grants, these are accounted for on a paid basis.

1.11 Pensions

The Community also operates a defined contribution pension schemes with the Church of England Pensions Board and in the form of a stakeholder pension. Contributions are charged to the Statement of Financial Activities in the year to which the payment relates.

The Frere Educational Trust also participates in the Church of England Funded Pensions Scheme which is a defined benefit scheme but the company is not able to identify its share of the underlying assets and liabilities. The group has therefore taken advantage of the exemption permitted by FRS17 not to disclose the information required by that Accounting Standard, and as such the pension scheme is accounted for as a defined contribution scheme with contributions being charged against net incoming resources in the period in which contributions are due.

The Community also operates discretionary pensions for certain of its employees. Such pensions are non contributory. A fund has been set aside within the Joint Fund to cover future pension obligations. In the event of this fund being insufficient to meet such obligations amounts would be made available from other funds to cover any liabilities. The cost of pensions made in this way in the year are disclosed within the wages and salaries note.

1.12 Operating Leases

Operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

**2 Analysis of consolidated results between The Community of the Resurrection and
The Frere Educational Trust**

	Community	Frere	Total
Total Incoming Resources	1,075,915	626,702	1,702,617
Cost of generating funds			
Cost of generating voluntary income	259,200		259,200
Investment management expenses	22,850		22,850
Charitable activities			
Grants payable	120,815		120,815
Supply of adult religious education	59,864		59,864
Sale of religious literature	23,724		23,724
Carrying out religious activities	34,188		34,188
Governance costs	13,704	3,600	17,304
Other resources expended	561,678	573,031	1,134,709
Total resources expended	1,096,023	576,631	1,672,654
	(20,108)	50,071	29,962
Grants to College of the Resurrection	86,030	(86,030)	--
Mirfield Centre rents	10,000	(10,000)	--
Net incoming/(outgoing) resources	75,922	(45,959)	29,963
Net realised losses on sale of investments	67,940		67,940
Net unrealised losses on investment assets	(703,778)		(703,778)
Net movement in funds	(559,916)	(45,959)	(605,875)
Balance Sheet			
Fixed Assets	3,484,829	9,900	3,494,729
Investments	4,320,519	20,857	4,341,376
Current Assets	509,908	148,897	658,805
Creditors: amounts falling due within one year	(83,920)	(21,468)	(105,388)
Transfers between entities	96,030	(96,030)	--
Net Assets	8,327,366	62,156	8,389,522
Funds at 1st September 2007	8,887,282	108,115	8,995,397
Change in Net Assets	(559,916)	(45,959)	(605,875)
Funds at 31st August 2008	8,327,366	62,156	8,389,522

3	Cost of Generating Voluntary Income	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Administration	3,724	5,326
	Catering	73,617	110,202
	Maintenance	130,671	182,929
	Management	17,231	23,573
	Other staffing	33,957	15,955
		259,200	337,985
4	Investment management expenses	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Professional fees	22,850	13,454
		22,850	13,454
5	Grants payable	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Bishop Simeon Trust	11,350	--
	Ecumenical Adult Education at the Mirfield Centre	--	47,500
	Work in Zimbabwe	19,963	3,064
	Rud Zilla Centre	--	500
	Laycentre	--	500
	Papua New Guinea Church	1,000	--
	Walsingham Appeal	1,000	--
	Diocesan Trust	810	--
	Sponsor a Ugandan Pupil	518	--
	Other Grants of £100 or less	145	--
		34,786	51,564
	Individual Grants		
	Personal grant to Zimbabwe	--	1,600
		34,786	53,164

6	Supply of Adult Religious Education	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Catering	7,112	14,588
	Maintenance	211	34,388
	Management	30,337	38,205
	Services and supplies	5,385	38,803
	Staffing costs	6,819	16,324
		49,864	142,308
7	Sale of Adult Religious Literature	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Services and supplies	23,724	9,575
		23,724	9,575
8	Other Religious Activities	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Administration	2,235	3,196
	Travel and subsistence	31,953	43,975
		34,188	47,171
9	Governance Costs	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
	Administration	2,980	4,260
	Auditors' fees	14,324	12,400
		17,304	16,660

10 Other Resources Expended	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
Administration	56,009	108,932
Brethren's Support	44,933	54,506
Catering	61,554	66,945
Depreciation	103,009	146,864
Maintenance	63,169	171,864
Management	17,231	23,573
Professional Fees	22,522	50,536
Property Improvement	--	7,394
Services and Supplies	63,905	101,478
Staffing Costs	348,370	309,984
Other Operating Expenses	354,007	282,124
	1,134,708	1,324,200

11 Net incoming resources for the year	Year to 31 Aug 2008 Total 2008 £	16 months to 31 Aug 2007 Total 2007 £
Net income for the year is stated after charging:		
Auditors' remuneration for audit services	14,324	12,400
Depreciation	103,009	146,864

12 Employees

The average monthly number of full time equivalent employees (including Trustees) employed by the Community:

	Year to 31 Aug 2008 Total	16 months to 31 Aug 2007 Total
Brethren (5 of whom are the company directors)	20	20
Administration and domestic support staff	19	18
	39	38

The cost in respect of administration and domestic support:

	Year to 31 Aug 2008 Total £	16 months to 31 Aug 2007 Total £
Wages and salaries	457,141	594,641
Pension contributions	49,014	54,156
Pensions paid for former employees	11,647	8,453
Social security costs	33,690	41,214
	<u>551,492</u>	<u>698,464</u>

No remuneration was paid to any trustee in the year.

No employee has emoluments exceeding £60,000 in the year.

13 Pension costs

The Community operates discretionary pensions for certain of its employees who have been employed for 20 years or more. Such pensions are non contributory. A fund has been set aside within the Joint Fund to cover future pension obligations. In the event of this fund being insufficient to meet such obligations amounts would be made available from other funds to cover any liabilities. The amount paid in respect of the year to 31st August 2008 totalled £8,647 (2007: £8,861). These costs are disclosed within the wages and salaries note.

The Community also operates a defined contribution pension scheme with the Church of England Pensions Board on a voluntary basis open to all members of its staff, whether full time or part time. These contributions are accounted for on a paid basis.

The costs for the year to 31st August 2008 were £19,984 (2007: £26,290). In addition, the Community paid £7,487 (2007: £7,403) to the Church of England Clergy Pension Scheme in respect of one member of staff.

The Frere Educational Trust also operates a money purchase defined contribution pension scheme in the form of a stakeholder pension. The costs during the year to 31st August 2008 were £9,415 (2007: £7,216).

The Church of England Funded Pension Scheme

The Frere Educational Trust participates in the Church of England Funded Pension Scheme and employs two members of the scheme out of a total membership of approximately 10,000 active members.

The Church of England Funded Pension Scheme is a defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities, each employee in the scheme pays a common contribution rate. The latest valuation of the Scheme was carried out as at 31st December 2006. There was a shortfall in the scheme of £141 million, with assets of £468 million and a funding target of £609 million, assessed using the following assumptions:

- An investment strategy of: a nil allocation to gilts for the next 10 years, increasing linearly to reach 30% after 20 years; and the balance of the assets in equities;
- Investment returns of 4.25% pa on gilts and 5.75% pa on equities;
- RPI inflation of 3.1% pa (and pension increases consistent with this);
- Increase in pensionable stipends of 4.6% pa; and
- Post-retirement mortality in accordance with the PA00 tables, adjusted so that members are assumed to be two years younger than they actually are, with allowance for future improvements according to the "medium cohort" projections, and subject to a minimum annual improvement in mortality rates of 1% for males and 0.5% for females.

For schemes such as the Church of England Funded Pension Scheme, paragraph 9(b) of FRS17 requires the Trust to account for pension costs on the basis of contributions actually payable to the scheme in the year. Following the results of the valuation, the Trust contribution rate increased from 33.8% to 39.8% of pensionable stipends with effect from 1st January 2007. The contribution rate was adjusted to 39.7% of pensionable stipends with effect from 1st April 2008.

The costs during the year to 31st August 2008 were £14,476 (2007: £15,124).

14 Tangible Fixed Assets - Group

	Freehold Land and Buildings	Fixtures and fittings	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 st September 2007	3,792,357	440,074	19,850	4,252,281
Additions	47,784	24,631	4,000	76,415
Disposals			(6,500)	(6,500)
At 31 st August 2008	3,840,141	464,705	17,350	4,322,196
Depreciation				
At 1 st September 2007	563,926	147,174	19,850	730,950
Charge for the year	71,283	30,727	1,000	103,010
On disposals			(6,500)	(6,500)
At 31 st August 2008	635,209	177,901	14,350	827,460
Net book value				
At 31 st August 2008	3,204,932	286,804	3,000	3,494,736
At 1 st September 2007	3,228,431	292,900	--	3,521,331

Tangible Fixed Assets - Company	Freehold Land and Buildings £	Fixtures and fittings £	Total £
Cost			
At 1 st September 2007	3,516,338	389,347	3,905,685
Additions	47,777	24,631	72,408
Disposals			--
At 31 st August 2008	<u>3,564,115</u>	<u>413,978</u>	<u>3,978,093</u>
Depreciation			
At 1 st September 2007	287,907	107,078	394,985
Charge for the year	71,283	26,996	98,279
On disposals			--
At 31 st August 2008	<u>359,190</u>	<u>134,074</u>	<u>493,264</u>
Net book value			
At 31 st August 2008	<u>3,204,925</u>	<u>279,904</u>	<u>3,484,829</u>
At 1 st September 2007	<u>3,228,431</u>	<u>282,269</u>	<u>3,510,700</u>

It is the policy of the Charity to capitalise all expenditure on fixed assets at purchase cost or at probate value if the asset was received by way of a legacy. When this policy was adopted the following freehold land and buildings were not capitalised:

(a) **House of the Resurrection, Mirfield**

This property, which was acquired in 1902 comprises: the House of the Resurrection; Staff House, Retreat House, the Chapel, college buildings, two lodges, a quarry and approximately 19 acres of freehold land.

(b) **St Francis House, Hemingford Grey**

This property was given as a gift to the Community in 1950 and comprises a retreat house, staff buildings and approximately two acres of freehold land.

Heritage Assets not included in the Balance Sheet

When adopting the SORP 2005, the Trustees considered whether all of the assets previously uncapitalised should be classified as heritage assets. The Trustees believe that the above mentioned assets were best classified as heritage assets as reliable cost information was not available and the cost involved in obtaining reliable valuations would far exceed any benefit that information would have given.

The Trustees have however insured the freehold buildings concerned and they consider that these valuations provide an indication of their value (excluding freehold land):

	£
The House of the Resurrection	8,974,138
The Church of the House of the Resurrection	8,155,611
The College buildings at the House of the Resurrection	10,927,158
St Francis House, Hemingford Grey	1,420,480
	<u>29,477,387</u>

Certain previously uncapitalised assets are, however, not considered to be heritage assets and as a result were valued in July 2006 to provide a basis for inclusion in the accounts.

The following asset values are therefore included in the fixed asset costs shown above:

	£
Claire Cottage, St Francis House	250,000
95a Stocksbank Road, Mirfield	160,000

In addition the Community owns a property in Worthing that was purchased in February 2006 for £159,950, this property is also included in the fixed asset costs shown above.

15 Investments - Group

	Quoted Investments £	Other Investments £	Total £
Market Value at 1 st September 2007	4,254,998	585	4,255,583
Additions	1,122,868		1,122,868
Disposals	(317,486)		(317,486)
Net unrealised investment gain	(719,595)		(719,595)
Market Value at 31 st August 2008	<u>4,340,785</u>	<u>585</u>	<u>4,341,370</u>
Historical cost	<u>3,178,712</u>	<u>585</u>	<u>3,179,297</u>

	2008 £	2007 £
Sector analysis:		
Fixed interest	1,169,774	590,760
Listed equities	3,171,017	3,664,238
Other investments	585	585
	<u>4,341,376</u>	<u>4,255,583</u>

All investments are listed UK securities.

Investments - Company

	Quoted Investments	Other Investments	Total
	£	£	£
Market Value at 1 st September 2007	4,254,998	137	4,255,135
Additions	1,102,465	--	1,102,465
Disposals	(317,486)		(317,486)
Net unrealised investment loss	(719,595)		(719,595)
Market Value at 31 st August 2008	<u>4,320,382</u>	<u>137</u>	<u>4,320,519</u>
Historical cost	<u>3,947,867</u>	<u>137</u>	<u>3,948,004</u>

	2008	2007
	£	£
Sector analysis:		
Fixed interest	1,169,774	590,760
Listed equities	3,150,608	3,664,238
Other investments	137	137
	<u>4,320,519</u>	<u>4,255,135</u>

All investments are listed UK securities.

Investments held on trust

When Brethren join the Community, the capital they possess may be given to the Community to hold on trust on their behalf. Any such capital is invested in either quoted investments or treasury stocks in the name of the Brother. Any income generated from these investments is given by the Brethren individually to the Community to use as the Community decides. At the year end the Community held on trust on behalf of the Brethren, investments with a book value of £793,974 (2007: £1,091,801) and a market value of £1,876,372 (2007: £2,447,354).

16	Stock	2008	2007
		£	£
	Books and goods for resale	<u>8,527</u>	<u>19,321</u>
17	Debtors	Group	Company
		Total	Total
		2008	2007
		£	£
	Other debtors and prepayments	1,193	13,196
		<u>1,193</u>	<u>13,196</u>
		775	11,799
		<u>775</u>	<u>11,799</u>

18 Creditors: Amounts falling due within one year

	Group		Company	
	Total	Total	Total	Total
	2008	2007	2008	2007
	£	£	£	£
Other creditors and accruals	105,388	189,628	83,920	172,009
	<u>105,388</u>	<u>189,628</u>	<u>83,920</u>	<u>172,009</u>

The Community of the Resurrection
Notes to the financial statements (continued)
for the year ended 31st August 2008

Company Registration No. 247772
Charity Registration No. 232670

19	Statement of funds - Group	At 31				At 31
		August	Income	Expenditure	Other	August
		2007			Gains	Transfers
		£	£	£	£	£
	UNRESTRICTED FUNDS:					
	Grants Fund	4,295,703	942,824	(750,086)	(364,476)	(29,000)
	Designated Funds					
	Staff pensions	200,000	--	--	--	
	Maintenance	650,000	--	--	--	
	Church improvements	69,553	--	--	--	
	Computers	8,578	--	--	--	
	Joint Fund	5,223,834	942,824	(750,086)	(364,476)	(29,000)
	General Fund	89,588	391,357	(552,899)	--	(71,954)
	Capital Fund	731,792	--	--	(89,460)	
	Maintenance Fund	(18,252)	13,470	--	9,638	
	Hemingford Grey Capital	713,540	13,470	--	(79,822)	--
	Hemingford Grey Household	10,161	91,706	(125,726)	--	(23,859)
	Mirfield Publications	38,909	15,011	(23,724)	--	30,195
	Grants Fund	(7,537)	11,350	(11,350)	10,220	
	Capital Fund	350,936	--	--	(66,827)	
	SAFE Fund	343,399	11,350	(11,350)	(56,607)	--
	Grant Allotments	300,000	--	--	--	300,000
	Mirfield Centre	16,457	42,931	(60,378)	--	29,000
	Frere Fund	1,804,025	35,476	(32,194)	(97,878)	1,709,429
	CIR Fund	--	3,284	(300)	--	2,984
	RESTRICTED FUNDS:					
	I S Farmer Bequest	98,431	--	--	--	98,431
	Capital Account	124,599	--	--	(7,208)	
	Accumulations Account	200,002	10,723	--	(24,789)	
	Archdeacon FW Goodman					
	Scholarship Fund	324,601	10,723	--	(31,997)	--
	Zimbabwe Fund	--	48,453	(19,963)	--	28,490
	ENDOWMENT FUNDS:					
	Archdeacon FW Goodman					
	Bequest Fund	32,452	--	--	(5,059)	27,393
	TOTAL FUNDS:	8,995,397	1,606,585	(1,576,622)	(635,838)	--

The Community of the Resurrection
Notes to the financial statements (continued)
for the year ended 31st August 2008

Company Registration No. 247772

Charity Registration No. 232670

Statement of funds	At 31 August 2007	Income	Expenditure	Other Gains	Transfers	At 31 August 2008
- Company	£	£	£	£	£	£
UNRESTRICTED FUNDS:						
Grants Fund	4,540,704	412,154	(269,487)	(364,476)	(29,000)	4,289,895
Designated Funds:						
Staff pensions	200,000	--	--	--		200,000
Maintenance	650,000	--	--	--		650,000
Church improvements	69,553	--	--	--		69,553
Computers	8,578	--	--	--		8,578
Joint Fund	5,468,835	412,154	(269,487)	(364,476)	(29,000)	5,218,026
General Fund	89,588	391,357	(552,900)	--		(71,955)
Capital Fund	486,792	--	--	(89,460)		397,332
Maintenance Fund	(18,252)	13,470	--	9,639		4,856
Hemingford Grey Capital	468,540	13,470	--	(79,821)	--	402,188
Hemingford Grey Household	10,161	91,706	(125,726)	--		(23,859)
Mirfield Publications	38,909	15,011	(23,724)	--		30,195
Grants Fund	(7,537)	11,350	(11,350)	10,220		2,683
Capital Fund	350,936	--	--	(66,827)		284,109
SAFE Fund	343,399	11,350	(11,350)	(56,607)	--	286,792
Grant Allotments	300,000	--	--	--		300,000
Mirfield Centre	16,457	42,931	(60,378)	--	29,000	28,010
Frere Fund	1,695,909	35,476	(32,194)	(97,878)		1,601,312
CIR Fund	--	3,284	(300)	--		2,984
RESTRICTED FUNDS:						
I S Farmer Bequest	98,431	--	--	--		98,431
Capital Account	124,599	--	--	(7,208)		117,391
Accumulations Account	200,002	10,723	--	(24,789)		185,936
Archdeacon FW Goodman Scholarship Fund	324,601	10,723	--	(31,997)	--	303,327
Zimbabwe Fund	--	48,453	(19,963)	--		28,490
ENDOWMENT FUNDS:						
Archdeacon FW Goodman Bequest Fund	32,452	--	--	(5,059)		27,393
TOTAL FUNDS:	8,887,282	1,075,915	(1,096,023)	(635,838)	--	8,231,336

UNRESTRICTED FUNDS

The Joint Fund

The Joint Fund is the principal fund of the Community. The income produced by the fund is used for making charitable grants and donations, and for capital projects at the House of the Resurrection at Mirfield. It also provides a grant to the General Fund and meets pensions obligations.

Designated Funds

The General Fund

The General Fund is used for the running expenses of the House of the Resurrection at Mirfield. Any deficit on this fund is covered by grants from the Joint Fund.

The Hemingford Grey Funds

The Capital Fund is maintained for capital projects at the retreat house at Hemingford Grey. The Household Fund is used for the running expenses of the retreat house.

Mirfield Publications

This fund is for the operation of the bookstall at Mirfield.

The SAFE Fund

The income from this fund is used to support the education of disadvantaged people from South Africa, both in South Africa and the United Kingdom.

Mirfield Centre

This fund is to cover the running expenses of the theological centre at Mirfield.

The Frere Fund

This fund comprises the present assets formerly owned by the College of the Resurrection, now The Frere Educational Trust. The purpose of this designated fund is to support the educational work sponsored by the Community and especially theological education and ministerial formation. The Trustees of The Frere Educational Trust administer the fund.

Restricted Funds

The Archdeacon Goodman Funds

The funds are split between restricted funds and endowment funds. The Goodman Bequest fund is an endowment fund, the only income and expenditure are movements in the market value of investments. Any income generated from these investments is restricted and is recognised in the Goodman Scholarship Fund. The Goodman Scholarship Fund is restricted for the use of training doctors to become clergymen or for the training of clergymen to become doctors. If there are no applicants for scholarship the income can be used to support certain overseas ventures. If no applications arise after a given period of time, the fund has to be used to support a canonry in Worcester Cathedral.

The I S Farmer Bequest

These funds were received by way of legacy. The terms of which are that these funds are to be used for educational work in South Africa in which the Community is involved.

20 Analysis of Net Assets Between Funds - Group

	General Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible fixed assets	2,334,282	1,160,454			3,494,736
Investments	1,530,064	2,592,498	191,869	26,939	4,341,370
Current assets	182,422	237,551	238,379	454	658,804
Current liabilities	(23,757)	(81,631)			(105,388)
	<u>4,023,011</u>	<u>3,908,872</u>	<u>430,248</u>	<u>27,393</u>	<u>8,389,522</u>

21 Related Party Transactions

The Trustees of the Community are all members of the Company, which is a company limited by guarantee having no share capital, and are all Brethren of the Community, having their welfare funded by the Community.

Any capital which the Brethren possess is held on trust by the Community and any income generated by this capital is given to the Community and included within the General Fund, which is an unrestricted fund. State and Clergy pensions to which the Brethren are entitled are also given to the Community and included within the General Fund. Income received from the Brethren is identified separately on the face of the Statement of Financial Activities and noted above.

The Community is the only member of the Frere Educational Trust, a company limited by guarantee having no share capital, the Trustees of which are all Brethren of the Community. The principal activity of The Frere Educational Trust is the training of clergy for the Church of England. Some of the Brethren of the Community are involved in teaching activities at the College of the Resurrection operated by The Frere Educational Trust.

The College of the Resurrection operates from buildings owned by the Community held in the Frere Fund as detailed above. The use of these premises is on a rent free basis as part of the Community's commitment to the College and its work. The Frere Educational Trust meets the day to day running costs of these buildings.

Some of the expenditure of the College is incurred by the Community and recharged to the College on a basis the Trustees consider to be equivalent to that which would apply between unconnected parties. In respect of these expenses no balance was due to/from the College at 31st August 2008.

During the year grants were made to the College to assist its operational, pastoral and staffing costs of £53,835 (2007: £55,741).