

3223210

**OXFORDSHIRE COMMUNITY CHURCHES**

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

**Annual Report and Financial Statements for the year ended 31st August 2012**

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**OXFORDSHIRE COMMUNITY CHURCHES**  
**REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2012**

<b>Status</b>	A company limited by guarantee and not having a share capital, registered in England and Wales, number 3223210  The company has charitable status and is registered with the Charity Commission under registration number 1056921	
<b>Directors</b>	S P Thomas (Chairman) M Beaumont (resigned 26 <sup>th</sup> June 2012) P Gale J Green (appointed 10 <sup>th</sup> January 2012) M Greig S Jackman (resigned 26 <sup>th</sup> June 2012)	J McCobb K Murphy K Neal T Ogden (resigned 27 <sup>th</sup> March 2013) M Prosser
	All the above served throughout the year except as indicated above. The directors of the company are also the trustees of the charitable activities. The power of appointment or removal of trustees rests with the members. New trustees are selected from the members of Oxfordshire Community Churches after consultation.	
<b>Secretary</b>	M Biddlecombe	
<b>Principal address and registered office</b>	The King's Centre, Osney Mead, Oxford, OX2 0ES	
<b>Auditors</b>	The auditors are Morgan Cameron Limited, Chartered Accountants and Registered Auditors, of 9 Thorney Leys Park, Witney, Oxfordshire, OX28 4GE. They have indicated their willingness to be reappointed to office under the Companies Act 2006.	
<b>Bankers</b>	Barclays Bank plc, Market Square, Witney, Oxfordshire, OX28 6BJ	

## OXFORDSHIRE COMMUNITY CHURCHES

### REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2012 (CONTINUED)

<b>Principal activities</b>	The company's principal activities continue to be the running of a family of churches known as Oxfordshire Community Churches (OCC) and the running of The King's School, Witney
<b>Group structure and relationships</b>	The charity has a wholly owned non-charitable subsidiary, The King's Centre Limited. The subsidiary carries out non-charitable trading activities to raise funds for the charity.
<b>Governing instrument</b>	<p>The company's activities are regulated by the Memorandum and Articles of Association. The objects of the company are</p> <ul style="list-style-type: none"><li>• To advance the Christian religion</li><li>• To advance education</li><li>• To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick</li><li>• To promote other charitable objects as decided by the directors from time to time</li></ul>
<b>Directors' responsibilities</b>	<p>Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure of the group for the year. In preparing these financial statements, the directors are required to</p> <ul style="list-style-type: none"><li>• select suitable accounting policies and then apply them consistently,</li><li>• make judgements and estimates that are reasonable and prudent,</li><li>• state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements,</li><li>• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation</li></ul> <p>The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.</p> <p>Each director has taken appropriate steps to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.</p>
<b>Corporate governance</b>	<p>To facilitate the smooth running of the charity, the directors have established a number of sub-committees. All of these sub-committees have either a director or the company secretary among their members, and report to the directors.</p> <ul style="list-style-type: none"><li>• Regional Development Team – meets monthly to assist in medium-term strategic development and management of the charity to achieve its strategic aim and objectives</li><li>• Area Leadership Team – meets periodically to discuss and develop the spiritual life of the charity</li><li>• Apostolic Ministry Team – advises the Area Leadership Team on the spiritual life of the charity, and travels world-wide advising other Christian organisations</li><li>• The King's School Governors – oversee and develop Christian education through The King's School</li><li>• The King's Centre Governors – oversee and develop The King's Centre facility and operation</li><li>• Remuneration Committee – determines the remuneration policy and staff salaries</li></ul>

## **OXFORDSHIRE COMMUNITY CHURCHES**

### **REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2012 (CONTINUED)**

**Risk management** The directors have assessed the major risks to which the charitable company may be exposed and have ensured that adequate systems are in place to mitigate those risks. These systems include Child Protection policy, Staff Management policy, Staff Handbook, Health & Safety policy, and monthly financial reporting.

### **Objects, objectives, and principal activities**

#### ***Aims and objectives***

We have come together in Oxfordshire Community Churches, as people committed to the Lord Jesus Christ, to extend God's kingdom and to share the knowledge of Christ's love in Oxfordshire and beyond. Through prayer, worship, studying the Bible, and a shared experience of the Holy Spirit, we want to know God better. We want to be a community together, serving and caring for one another. We are committed to everyone who joins us feeling part of the church family and playing an active role.

Whether or not people respond to Jesus in faith, we want to follow his example by doing good to all, both in this country and overseas, especially to those who are poor or in conditions of need, hardship or distress. We are concerned to help all people, whatever their age, race or gender. We are involved in educational work to extend Biblical understanding of and response to God and his creation in the next generation, based on our own experience of God.

Oxfordshire Community Churches is part of the Salt & Light Ministries family of churches. Oxfordshire Community Churches is also a member of the Evangelical Alliance. Both of these organisations are Christian charities that pursue similar objectives in the UK and overseas.

The King's School's vision is to develop young people who know their God and are trained to serve and influence their generation by godly attitudes and actions. The school encourages each child to achieve academically at the level of his or her own ability, recognising that each is an individual with different needs and potential.

Whilst Oxfordshire Community Churches does employ staff, it is the work of every member of Oxfordshire Community Churches, whether employed or voluntary, that helps Oxfordshire Community Churches fulfil its charitable objectives. This is achieved through 'being salt and light' amongst the people they interact with every day, by praying, by visiting the sick and others in need, in leadership of the church congregations, in administration and also through classroom assistance in the school. The financial resources of the church are given by the members and their private assets and equipment are regularly used in the work of Oxfordshire Community Churches. Much of their time is given freely, without recognition, and the hours and value of that time cannot be quantified.

Oxfordshire Community Churches is a group of twelve established church congregations (Abingdon, Bicester, Carterton, Chipping Norton, Cote, Didcot, Kidlington (from September 2012), Leys, Oxford, Thame (until August 2012), Wantage, North Witney, West Witney) meeting in and around Oxfordshire. Each local church congregation accounts separately for its own expenditure which is met from the donations and gifts it receives. The balance of the income is passed to the Area Fund to meet the pastoral and ministry expenses relating to the Area as a whole.

### **Review of activities during the period**

During the year ended 31 August 2012 the charity has sought to fulfil the calling of Christ and its charitable purposes for the public benefit as follows:

#### **1 To advance the Christian religion**

Oxfordshire Community Churches has continued to develop the spiritual life of the twelve church congregations in Oxfordshire and their local communities. Each of these congregations has undertaken a variety of activities which advance the Christian religion. Sunday church meetings and a variety of courses designed to address specific aspects of Christian living for all ages have been available to all and open to the wider community without charge. The Alpha and Journeys courses are two examples that have been widely used. Each church also engages in community projects including a wide variety of

## **OXFORDSHIRE COMMUNITY CHURCHES**

### **REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2012 (CONTINUED)**

initiatives for children and young people

Oxfordshire Community Churches has sought to continue to plant new churches with work continuing in Moreton-in-Marsh, The Wychwoods and Banbury Kidlington was established as a distinct congregation in September 2012

Oxfordshire Community Churches is also committed to extending Biblical understanding of and response to God by reaching out to children in the many schools across Oxfordshire. This has been carried out by various schools workers, both employed and voluntary. They have given lessons and run assemblies, lunch clubs and after-school clubs.

Regional gatherings of churches have continued, initiating new activities and strengthening our congregations and local evangelistic work. Significant work has been undertaken to consider how these regional groups can increase our effectiveness as a charity and streamline our corporate governance. This year regional budgets have been developed to model finances for future years.

Various pastors travelled overseas in order to teach, advise and support churches, missionaries, and Bible colleges. These trips were undertaken at a cost of £25,138 to Oxfordshire Community Churches and without charge to those we visit. Nations visited include Belgium, Canada, France, Germany, Holland, Switzerland and USA and those nations listed below in point 3.

The members of the churches have consistently been applying the principles of church life, as outlined in the New Testament, in the places where they live and work and by impacting social attitudes in wider national society. This is a very significant part of the purpose of the churches and much of it is done without publicity or significant charitable expense.

#### **2      *To advance education***

The King's School provided education for 147 pupils from the ages of 6 to 16 and we have continued to run an Ofsted approved pre-school in Bicester. Stepping Stones Foundation Unit in Witney provided education for 38 children from the ages of 2½ to 5.

At The King's Centre, Oxfordshire Community Churches has run training courses, e.g. Celebrate Recovery. These courses were open to all and had an impact in changed lives and strengthened relationships for those who attended.

In addition, many local churches run discipleship programmes and leadership training, helping people deepen their Biblical understanding and its application to everyday life.

#### **3      *To relieve those who are poor, in conditions of need, hardship or distress***

There has been support of individual workers, relief and development work both in the UK and overseas. A total of £33,053 has been paid out from central funds, with further significant support from individual local churches, for work overseas. Through these activities we have been able to help people in many nations including Burundi, China, India, Kazakhstan, Nepal, Poland, Rwanda and Uganda.

Whilst Oxfordshire is a generally affluent county, many of our churches are working into areas of poverty and hardship. Care for the homeless, food banks, CAP Money courses and Street Pastors all help to alleviate these conditions. Through a subsidy of £61,712, we have been able to help The King's School and Stepping Stones offer fees assistance to families who could not otherwise afford to send their children.

#### **4      *Other activities***

We have continued to make the facilities of The King's Centre available to the local community and business users. Through this activity, we have benefited our visitors and the income generated furthered our primary charitable activities.

The King's Centre Limited, the subsidiary trading company of Oxfordshire Community Churches, generated a surplus of £81,372 which was remitted to Oxfordshire Community Churches as a donation. This was used to cover the costs of generating the income and to contribute towards the costs of running the centre.

## **OXFORDSHIRE COMMUNITY CHURCHES**

### **REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2012 (CONTINUED)**

#### **Financial review and results for the year**

##### ***Churches***

Tithe and other unrestricted voluntary income through the local churches rose from £924,472 to £930,132

##### ***The King's School and Stepping Stones Foundation Unit***

The school's pupil numbers were up by 5, partially reflecting renewed marketing activity

##### ***The King's School Building Fund***

Funds have continued to come in and are being used to service the bank loan taken out for the development that took place between 2009 and 2011. Repayment of the loan commenced in January 2012

##### ***Gift Aid***

For many years, in agreement with HM Revenue & Customs, the Charity has restricted the amount of Gift Aid that was claimed on general giving to the charity from donors who are also parents of pupils at The King's School. This agreement has come to an end and the future restriction, if any, has not yet been determined. In view of the uncertainty, amounts that may prove irrecoverable as Gift Aid have been excluded from the financial statements

##### ***The King's Centre Limited***

Our trading subsidiary, The King's Centre Limited, which hires out rooms at The King's Centre, received income of £100,602, 10% less than in the previous year. There has been a noticeable reduction in bookings from regular users, including local authorities. However, since the end of the year a group has been formed to spearhead development of the Centre and its marketing

##### ***Freehold properties***

The freehold properties are included at valuation based on their existing use. The valuation amount of £4,960,000 represents £2,700,000 for The King's Centre, Oxford and £2,260,000 for The King's School, Witney. Both properties are being maintained in good order

##### ***Reserves***

The majority of the charity's income is derived from school fees, regular gifts, and donations from a wide range of sources and these are forecast to cover the budgeted monthly expenditure at both Oxfordshire Community Churches and The King's School. Additional offerings and the majority of the amount received in Gift Aid are designated towards the loan repayments and interest. The reserves in the Building Fund and Gift Aid tax recovered, together with undesignated reserves, are monitored monthly and the directors ensure that short term commitments do not exceed funds available. The directors consider that a level of general reserves equivalent to one month's expenditure is adequate and not excessive for the needs of the charity. These reserves are planned to be generated over the next 2 years through allocating amounts from the main Oxfordshire Community Churches, The King's School and The King's Centre running budgets

##### ***Restricted funds***

There are a number of restricted funds which are accounted for separately. The detail for these is shown in note 16 to the accounts. Gift Aid relating to these funds is allocated accordingly

## OXFORDSHIRE COMMUNITY CHURCHES

### REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2012 (CONTINUED)

#### Future plans

##### *Medium to long-term strategy*

Oxfordshire Community Churches' medium to long-term strategy continues to focus on our primary charitable activities

- To be local churches that are outwardly focused in our communities and are responding to the needs of each local community
- To develop stronger regional groups of churches, with more devolved governance to increase our effectiveness in our aims and objectives
- To plant churches that follow our mission statement and so increase our geographical base
- To establish pre-schools and primary schools across Oxfordshire, so that more children can have a Christian-based education
- To continue to develop the facilities of The King's Centre, in order to serve our larger mission, and to encourage more external business and community use of the Centre
- To seek to reduce the outstanding mortgage debt for The King's School, on or ahead of the agreed payment schedule

##### *Next year*

During the next year we intend to

- Continue to develop the regional groupings of churches and workers to increase our effectiveness in the future
- Implement new regional budgets as part of governance devolution
- Continue to develop church planting activity in Banbury and Moreton-in-Marsh
- Continue to work towards establishing a school in Oxford
- Develop community use of the new facilities at The King's School

Approved by the board of directors on 20 May 2013 and signed on its behalf



M D Greig  
Director

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORDSHIRE COMMUNITY CHURCHES**

We have audited the financial statements of Oxfordshire Community Churches for the year ended 31 August 2012 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors (who are also the trustees of Oxfordshire Community Churches for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 August 2012, and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
OXFORDSHIRE COMMUNITY CHURCHES (CONTINUED)**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Alan Thornton FCA  
**Senior Statutory Auditor**

For and on behalf of  
Morgan Cameron Limited, Statutory Auditor

9 Thorney Leys Park  
Witney  
OX28 4GE

20 May 2013

# OXFORDSHIRE COMMUNITY CHURCHES

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and expenditure account) for the year ended 31st August 2012

	Notes	Unrestricted funds General £	Designated £	Restricted funds £	Total funds £	2011 Total funds £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds						
Voluntary income						
- Gifts and donations		1,074,781	230,014	197,565	1,502,360	1,528,538
Activities for generating funds						
- Trading subsidiary income		100,602	-	-	100,602	112,046
- Other fundraising income		927	-	583	1,510	451
Interest on bank deposits		104	-	-	104	97
Incoming resources from charitable activities						
School fees and other educational income		586,596	-	-	586,596	558,367
Other income		112,322	-	2,882	115,204	103,931
Allocation of income		31,512	(31,512)	-	-	-
<b>TOTAL INCOMING RESOURCES</b>		<b>1,906,844</b>	<b>198,502</b>	<b>201,030</b>	<b>2,306,376</b>	<b>2,303,430</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds	2	75,858	-	-	75,858	104,099
Charitable activities	3	1,831,102	140,644	200,851	2,172,597	2,077,862
Governance costs	4	16,841	-	-	16,841	15,192
<b>TOTAL RESOURCES EXPENDED</b>		<b>1,923,801</b>	<b>140,644</b>	<b>200,851</b>	<b>2,265,296</b>	<b>2,197,153</b>
<b>NET INCOME/(EXPENDITURE) for year</b>						
before transfers	5	(16,957)	57,858	179	41,080	106,277
Transfers between funds	17	75,365	(75,365)	-	-	-
Transfers to reserves		(8,879)	-	-	(8,879)	(17,518)
<b>NET MOVEMENT IN FUNDS before other</b>		<b>49,529</b>	<b>(17,507)</b>	<b>179</b>	<b>32,201</b>	<b>88,759</b>
<b>recognised gains/losses</b>						
<b>OTHER RECOGNISED GAINS/LOSSES</b>						
Loss on revaluation of fixed assets for charity's own use	8	-	-	-	-	(1,397,638)
<b>NET MOVEMENT IN FUNDS</b>		<b>49,529</b>	<b>(17,507)</b>	<b>179</b>	<b>32,201</b>	<b>(1,308,879)</b>
<b>TOTAL FUNDS brought forward</b>		<b>2,199,083</b>	<b>193,403</b>	<b>58,826</b>	<b>2,451,312</b>	<b>3,760,191</b>
<b>TOTAL FUNDS carried forward</b>		<b>2,248,612</b>	<b>175,896</b>	<b>59,005</b>	<b>2,483,513</b>	<b>2,451,312</b>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31st August 2012

	Notes	Unrestricted funds General £	Designated £	Restricted funds £	Total funds £	2011 Total funds £
Net movement in funds for the year before other recognised gains/losses		49,529	(17,507)	179	32,201	88,759
Unrealised loss on revaluation	8	-	-	-	-	(96,196)
Allocated to Revaluation reserve		-	-	-	-	(1,397,638)
Allocated to General funds		-	-	-	-	
<b>Total recognised (deficit)/surplus for the year</b>		<b>49,529</b>	<b>(17,507)</b>	<b>179</b>	<b>32,201</b>	<b>(1,405,075)</b>

The notes on pages 14 to 19 form part of these financial statements

# OXFORDSHIRE COMMUNITY CHURCHES

## CONSOLIDATED BALANCE SHEET at 31st August 2012

	Notes	Unrestricted funds General £	Designated £	Restricted funds £	Total funds £	2011 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	7	4,963,158	-	-	4,963,158	4,965,034
<b>CURRENT ASSETS</b>						
Debtors	10	164,553	-	-	164,553	114,128
Cash at bank and in hand		195,990	175,896	59,005	430,891	507,853
		<u>360,543</u>	<u>175,896</u>	<u>59,005</u>	<u>595,444</u>	<u>621,981</u>
<b>CREDITORS</b>	11					
<i>Amounts falling due within one year</i>						
Bank loan (secured)		116,953	-	-	116,953	132,814
Creditors and accruals		94,734	-	-	94,734	86,793
Social security and other taxes		24,742	-	-	24,742	26,811
		<u>236,429</u>	<u>-</u>	<u>-</u>	<u>236,429</u>	<u>246,418</u>
<b>NET CURRENT ASSETS</b>		<u>124,114</u>	<u>175,896</u>	<u>59,005</u>	<u>359,015</u>	<u>375,563</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,087,272</u>	<u>175,896</u>	<u>59,005</u>	<u>5,322,173</u>	<u>5,340,597</u>
<b>CREDITORS</b>	11					
<i>Amounts falling due after more than one year</i>						
Bank loan (secured)		(2,337,780)	-	-	(2,337,780)	(2,397,284)
<b>NET ASSETS</b>		<u>2,749,492</u>	<u>175,896</u>	<u>59,005</u>	<u>2,984,393</u>	<u>2,943,313</u>
<b>FUNDS AND RESERVES</b>						
Revaluation reserve	13	425,000	-	-	425,000	425,000
General reserves	14	75,880	-	-	75,880	67,001
General funds		2,248,612	-	-	2,248,612	2,199,083
Designated funds	15	-	175,896	-	175,896	193,403
		<u>2,749,492</u>	<u>175,896</u>	<u>-</u>	<u>2,925,388</u>	<u>2,884,487</u>
Restricted funds	16	-	-	59,005	59,005	58,826
<b>TOTAL FUNDS AND RESERVES</b>	18	<u>2,749,492</u>	<u>175,896</u>	<u>59,005</u>	<u>2,984,393</u>	<u>2,943,313</u>

Approved by the board of directors on 20 May 2013 and signed on its behalf



M D Greig  
Director

The notes on pages 14 to 19 form part of these financial statements

# OXFORDSHIRE COMMUNITY CHURCHES

## CHARITY BALANCE SHEET at 31st August 2012

	Notes	Unrestricted funds General £	Designated £	Restricted funds £	Total funds £	2011 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	7	4,963,158	-	-	4,963,158	4,965,034
Investment in subsidiary company	9	1	-	-	1	1
		<u>4,963,159</u>	<u>-</u>	<u>-</u>	<u>4,963,159</u>	<u>4,965,035</u>
<b>CURRENT ASSETS</b>						
Stock		-	-	-	-	-
Loan		-	-	-	-	-
Debtors	10	208,077	-	-	208,077	144,801
Cash at bank and in hand		<u>146,053</u>	<u>175,896</u>	<u>59,005</u>	<u>380,954</u>	<u>475,111</u>
		<u>354,130</u>	<u>175,896</u>	<u>59,005</u>	<u>589,031</u>	<u>619,912</u>
<b>CREDITORS</b>	11					
<i>Amounts falling due within one year</i>						
Bank loan (secured)		116,953	-	-	116,953	132,814
Creditors and accruals		89,131	-	-	89,131	84,805
Social security and other taxes		<u>23,933</u>	<u>-</u>	<u>-</u>	<u>23,933</u>	<u>26,731</u>
		<u>230,017</u>	<u>-</u>	<u>-</u>	<u>230,017</u>	<u>244,350</u>
<b>NET CURRENT ASSETS</b>		<u>124,113</u>	<u>175,896</u>	<u>59,005</u>	<u>359,014</u>	<u>375,562</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,087,272</u>	<u>175,896</u>	<u>59,005</u>	<u>5,322,173</u>	<u>5,340,597</u>
<b>CREDITORS</b>	11					
<i>Amounts falling due after more than one year</i>						
Bank loan (secured)		<u>(2,337,780)</u>	<u>-</u>	<u>-</u>	<u>(2,337,780)</u>	<u>(2,397,284)</u>
<b>NET ASSETS</b>		<u>2,749,492</u>	<u>175,896</u>	<u>59,005</u>	<u>2,984,393</u>	<u>2,943,313</u>
<b>FUNDS AND RESERVES</b>						
Revaluation reserve	13	425,000	-	-	425,000	425,000
General reserves	14	75,880	-	-	75,880	67,001
General funds		<u>2,248,612</u>	<u>-</u>	<u>-</u>	<u>2,248,612</u>	<u>2,199,083</u>
Designated funds	15		<u>175,896</u>	<u>-</u>	<u>175,896</u>	<u>193,403</u>
		<u>2,749,492</u>	<u>175,896</u>	<u>-</u>	<u>2,925,388</u>	<u>2,884,487</u>
Restricted funds	16	-	-	<u>59,005</u>	<u>59,005</u>	<u>58,826</u>
<b>TOTAL FUNDS AND RESERVES</b>	18	<u>2,749,492</u>	<u>175,896</u>	<u>59,005</u>	<u>2,984,393</u>	<u>2,943,313</u>

Approved by the board of directors on 20 May 2013 and signed on its behalf



M D Greig  
Director

The notes on pages 14 to 19 form part of these financial statements

# OXFORDSHIRE COMMUNITY CHURCHES

## CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st August 2012

	2012 £	2011 £	
<b>Reconciliation of net outgoing resources to net cash inflow from operating activities</b>			
<b>Net incoming/(outgoing) resources</b>	41,080	106,277	
Depreciation of tangible fixed assets	1,876	1,840	
Loss on disposal of tangible fixed assets	-	-	
(Increase)/decrease in stocks	-	846	
(Increase)/decrease in missionary loan	-	1,250	
(Increase)/decrease in debtors	(50,425)	23,100	
Increase/(decrease) in creditors	5,872	(301,437)	
<b>Net cash (outflow)/inflow from operating activities</b>	<u>(1,597)</u>	<u>(168,124)</u>	
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow/(outflow) from operating activities</b>	(1,597)	(168,124)	
<b>Capital expenditure:</b>			
Proceeds of sale of tangible fixed assets	-	-	
Additions to tangible fixed assets	-	(232,852)	
	<u>(1,597)</u>	<u>(400,976)</u>	
<b>Reconciliation of net cash flow to movement in net funds</b>			
<b>(Decrease)/increase in cash in the year</b>	(1,597)	(400,976)	
Net funds/(debt) at 1st September	(2,022,245)	(1,621,269)	
<b>Net (debt)/funds at 31st August</b>	<u>(2,023,842)</u>	<u>(2,022,245)</u>	
<b>Analysis of net funds/(debt)</b>			
	1 Sep 2011 £	Cashflow £	31 Aug 2012 £
Cash at bank and in hand	507,853	(76,962)	430,891
Bank loans	(2,530,098)	75,365	(2,454,733)
	<u>(2,022,245)</u>	<u>(1,597)</u>	<u>(2,023,842)</u>

# OXFORDSHIRE COMMUNITY CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2012

### 1 Accounting policies

#### *i Basis of preparation*

The accounts have been prepared under the historical cost convention, as modified by the revaluation of freehold properties. The accounts have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK accounting standards and the Companies Act 2006.

The accounts consolidate the results of the charity and its wholly owned subsidiary The King's Centre Limited on a line by line basis.

#### *ii Incoming resources*

Voluntary income, including donations, is accounted for when received. Any resultant Gift Aid claimed is included as part of the income for the year. The church congregations collect the tithes and offerings locally. The majority are passed to the Area fund to meet the pastoral and ministry expenses relating to the group of churches. Each local church retains an amount sufficient to cover its own church and administrative expenditure.

Other income is accounted for on a receivable basis. The value of services provided by volunteers is not incorporated in these accounts.

#### *iii Resources expended*

Expenditure is recognised when a liability is incurred, and includes irrecoverable VAT. It is allocated to the relevant cost category appropriate to the use derived from the resources.

#### *iv The King's School and Stepping Stones Foundation Unit*

An amount is set aside each year from the Gift Aid claimed in order to provide subsidies for parents who are unable to afford the full fees for their children. This allocation of funds is treated as income for the year of The King's School and Stepping Stones.

#### *v Tangible fixed assets*

Low cost assets, including those acquired by local church congregations, are written off on acquisition. Other fixed assets are depreciated on a straight line basis at rates estimated to write off each asset over the term of its useful life. The rates in use are as follows:

Furniture and equipment	20 - 25% per annum
Vehicles	20% per annum

Freehold land and buildings are stated at revalued amounts, with subsequent additions at cost, as set out in note 7.

#### *vi Stock*

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

#### *vii Fund structure*

Restricted funds arise from income received where the donor is either responding to an appeal for a specific purpose or has stipulated that their donation should be used for a particular purpose.

Designated funds are amounts which have been set aside at the discretion of the directors for a specific, but not legally binding, purpose.

#### *viii Pension contributions*

The charity operates a group personal scheme for some of its employees. The charge in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

# OXFORDSHIRE COMMUNITY CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2012 (continued)

### Resources expended (Notes 2 - 4)

	Pastors' fees £	Salary costs £	Other costs £	Depreciation charges £	Total £	2011 Total £
<b>2 Costs of generating funds</b>						
The King's Centre	-	58,608	-	-	58,608	75,857
Total charity costs	-	58,608	-	-	58,608	75,857
Operating costs of subsidiary	-	-	17,250	-	17,250	28,242
Total group costs	-	58,608	17,250	-	75,858	104,099
<b>3 Charitable activities</b>						
OCC group costs	101,871	538,214	179,070	676	819,831	792,236
Local churches	-	43,109	182,209	-	225,318	216,737
The King's School	-	416,847	88,902	-	505,749	469,592
New Yatt Road facility	-	3,098	71,509	-	74,607	68,265
The King's Centre (Support of OCC)	-	8,672	115,905	-	124,577	156,239
Pre-school centres	-	68,381	11,912	-	80,293	93,207
Youth and pensioners' groups	-	-	788	-	788	5,142
Unrestricted funds	101,871	1,078,321	650,295	676	1,831,163	1,801,418
Designated funds	-	-	140,644	-	140,644	100,843
Restricted funds	-	18,170	181,481	1,200	200,851	175,601
Total	101,871	1,096,491	972,420	1,876	2,172,658	2,077,862
<b>4 Governance costs</b>						
Staff costs	-	3,427	-	-	3,427	3,355
Auditor's remuneration	-	-	10,940	-	10,940	10,150
Legal fees	-	-	-	-	-	1,204
Trustee indemnity insurance	-	-	494	-	494	483
Total charity costs	-	3,427	11,434	-	14,861	15,192
Auditor's remuneration for subsidiary	-	-	1,980	-	1,980	-
Total	-	3,427	13,414	-	16,841	15,192
<b>5 Net incoming resources for the year</b>		Unrestricted funds General £	Designated £	Restricted funds £	Total £	2011 Total £
The net incoming resources for the year are after charging						
Auditors' remuneration		12,920	-	-	12,920	10,150
Depreciation of tangible fixed assets		676	-	1,200	1,876	1,840
Loan interest		-	136,933	-	136,933	81,904
Directors' remuneration (note 6)		133,533	-	-	133,533	117,583
Staff costs		1,140,356	-	18,170	1,158,526	1,144,369
Staff salaries and wages		1,023,801	-	15,844	1,039,645	1,019,085
National Insurance contributions		76,575	-	1,469	78,044	80,685
Pension contributions		39,980	-	857	40,837	44,599

During the year the average number of staff employed by the charity was 82 (2011 81)

The average number of full-time equivalent employees was 52 (2011 58)

None of the employees received remuneration in excess of £60,000 in the year (2011 none)

# OXFORDSHIRE COMMUNITY CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2012 (continued)

### 6 Directors' remuneration (Charity and Group)

Two directors of the company have received remuneration during the year in their capacity as pastors, and one director in her capacity as School Bursar, as expressly permitted by the Memorandum and Articles of Association of the Company. The following payments were made to or on behalf of directors and connected persons:

	Remuneration			Total	2011 Total
	Fees & salaries	Pension	Expenses		
	£	£	£	£	£
S Thomas	54,350	-	7,687	62,037	57,712
L Thomas	14,867	743	-	15,610	15,412
M Beaumont	22,549	-	2,641	25,190	35,557
E Beaumont	5,544	277	-	5,821	5,707
D Campsall	-	-	-	-	383
S Jackman	-	-	-	-	-
C Jackman	7,829	-	-	7,829	5,969
K Neal	7,582	379	-	7,961	8,005
M Prosser	-	-	-	-	-
C Prosser	18,787	626	-	19,413	-
B Wood	-	-	-	-	276
	<u>131,508</u>	<u>2,025</u>	<u>10,328</u>	<u>143,861</u>	<u>129,021</u>

Total remuneration (including pension contributions) £133,533 (2011 £117,583)

Expenses paid to directors are in respect of travel, telephone and hospitality costs. Also during the year £494 has been paid for a Trustee Indemnity Insurance policy. There were no other transactions with, or expenses paid to the directors.

### 7 Tangible fixed assets (Charity and Group)

	Freehold property £	Office equipment £	Minibus £	Total £
Cost or valuation				
At 1 9 11	4,960,000	164,002	6,000	5,130,002
Additions at cost	-	-	-	-
Revaluation	-	-	-	-
Disposals	-	(38,366)	-	(38,366)
At 31 8 12	<u>4,960,000</u>	<u>125,636</u>	<u>6,000</u>	<u>5,091,636</u>
Accumulated depreciation				
At 1 9 11	-	160,868	4,100	164,968
Charge for year	-	676	1,200	1,876
Disposals	-	(38,366)	-	(38,366)
At 31 8 12	<u>-</u>	<u>123,178</u>	<u>5,300</u>	<u>128,478</u>
Net book value				
At 31 8 12	<u>4,960,000</u>	<u>2,458</u>	<u>700</u>	<u>4,963,158</u>
At 31 8 11	<u>4,960,000</u>	<u>3,134</u>	<u>1,900</u>	<u>4,965,034</u>

All of the assets of the company are used to further its main objects. The freehold properties are The King's Centre in Osney Mead, Oxford, which is also used by the Oxford congregation, and The King's School in Witney which is also used by the North Witney congregation.



# OXFORDSHIRE COMMUNITY CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2012 (continued)

### 8 Valuation of freehold property (Charity and Group)

The freehold properties were valued in 2009 by Savills (L&P) Ltd, Chartered Surveyors, on the basis of existing use, and in accordance with the RICS Appraisal and Valuation Manual. Following the extension and refurbishment of The King's School premises, a further professional valuation was made in May 2011. The directors are of the opinion that the values of freehold properties at 31st August 2012 had not changed significantly from the values at which they are included in the Balance Sheet.

In 2011, the loss of £1,493,834 arising from that year's valuation of The King's School was partially set against the surplus of £96,196 arising from the 2009 valuation of the same property, and the remainder (£1,397,638) against the General fund.

### 9 Investment in subsidiary (Charity)

The charity's wholly-owned trading subsidiary company is The King's Centre Limited, which lets out the meeting rooms at The King's Centre on a commercial basis. The charity owns the sole issued £1 share in the company, which pays all of its profits to the charity.

The turnover of The King's Centre Limited for the year ended 31 August 2012 was £100,602 (2011 £112,046) and its profit donated to the charity was £81,372 (2011 £82,054).

10 Debtors	Group		Charity	
	2012	2011	2012	2011
<i>All falling due within one year</i>	£	£	£	£
Trade debtors	34,816	25,405	23,517	24,174
Gift Aid tax recoverable	109,034	72,000	109,034	72,000
Profit from TKC Ltd	-	-	58,276	31,904
Other debtors	14,896	7,871	13,888	7,871
Prepayments	5,807	8,852	3,362	8,852
	<u>164,553</u>	<u>114,128</u>	<u>208,077</u>	<u>144,801</u>

11 Creditors	Group		Charity	
	2012	2011	2012	2011
<i>Amounts falling due within one year</i>	£	£	£	£
Bank loan	116,953	132,814	116,953	132,814
Trade creditors	70,997	22,197	54,467	21,959
HM Revenue & Customs	24,742	26,811	23,933	26,731
Other creditors	11,967	17,344	25,194	17,344
Accruals	11,770	47,252	9,470	45,502
	<u>236,429</u>	<u>246,418</u>	<u>230,017</u>	<u>244,350</u>

*Amounts falling due after more than one year*

Bank loan	<u>2,337,780</u>	<u>2,397,284</u>	<u>2,337,780</u>	<u>2,397,284</u>
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The bank loan is secured on the company's properties in Oxford and Witney.

# OXFORDSHIRE COMMUNITY CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2012 (continued)

### 12 Bank loan and financial derivative product

The loan financed a building development at The King's School and has a twenty year term

Part of the amount borrowed was obtained with a financial derivative product of Barclays Bank. Under the terms of this product, £1.5 million of the original loan is effectively at a fixed rate of interest for 15 years until 1 June 2026, the remainder of the loan is at a variable rate. From June 2026 the whole of the loan then outstanding will be at a variable rate of interest.

The financial derivative was taken to eliminate exposure to a variable market interest rate on that part of the loan through its 15 year life. The directors accepted that while interest rates remained low, the charity would be paying more than the market rate but considered that, over the 15 year term, interest charges were likely to be lower than if the product had not been taken.

### 13 Revaluation reserve (Charity and Group)

This reserve arose from the revaluation of the freehold properties in Oxford and Witney included in the accounts to 31st August 2008, now reduced following the 2011 revaluation of the Witney property (The King's School, Note 8).

### 14 General reserves (Charity and Group)

General reserves represent funds being set aside out of the General fund over a five-year period to achieve a level equivalent to one month's annual expenditure.

### 15 Designated funds (Charity and Group)

Each year the charity seeks to set aside the Gift Aid tax recovery arising from general funds for special purposes or projects. This and other income specifically designated by the trustees form the designated funds as follows:

	At 1-9-11	Income	Expenditure	Transfers	At 31-8-12
	£	£	£	£	£
TKS Building fund	-	54,130	(54,130)	-	-
Gift Aid tax recovered	179,378	132,498	(84,832)	(75,365)	151,679
Mission fund	(19)	1,982	-	-	1,963
Area Education fund	3,695	-	-	-	3,695
Community Projects fund	3,190	-	-	-	3,190
TKC Enhancements fund	4,245	1,380	(394)	-	5,231
Regional support funds	2,914	8,512	(1,288)	-	10,138
	<u>193,403</u>	<u>198,502</u>	<u>(140,644)</u>	<u>(75,365)</u>	<u>175,896</u>

The TKS Building fund is for development of The King's School premises in Witney and contributes to servicing the loan taken out for that development.

Gift Aid tax recovered is used for subsidies at The King's School and Stepping Stones Foundation Unit and the remainder for servicing the loan for The King's School building development.

The Mission fund provides for unbudgeted overseas mission support.

The Area Education fund provides start up funds for local community schools.

The Community Projects fund provides extra funds to local churches to help them set up new projects, focused on practical, evangelistic community service such as kids' clubs.

The King's Centre Enhancements fund receives specific donations to fund small improvements to the Centre.

Regional support funds arise mostly from offerings taken at regional celebrations.

# OXFORDSHIRE COMMUNITY CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2012 (continued)

### 16 Restricted funds (Charity and Group)

The following are the details of the charity's restricted funds, all of which are income funds

	At 1-9-11 £	Income £	Expenditure £	At 31-8-12 £
The King's School restricted	17,730	8,241	(11,010)	14,961
Salem School	1,696	3,645	(4,771)	570
Missionary support	8,413	34,521	(28,782)	14,152
Mission (France)	756	-	-	756
Other funds	30,231	154,623	(156,288)	28,566
	<u>58,826</u>	<u>201,030</u>	<u>(200,851)</u>	<u>59,005</u>

The King's School has a bursary and other funds for use by specific departments within the school curriculum

Stepping Stones Foundation Unit operates funds for specific projects

Salem School is a school in Kazakhstan

Missionary support is for Dr Jan White and her work in running medical centres in Uganda

Mission (France) arises from donations to support church development in France

Other funds are the restricted funds used by some of the 12 local churches for providing overseas aid and the support of missionaries and local projects

### 17 Transfers between funds (Charity and Group)

Reason	From fund	To fund	£
Servicing King's School loan	Gift Aid tax recovered	General funds	75,365

### 18 Reconciliation of movements on funds and reserves (Group)

	Revaluation reserve £	General reserves £	General funds £	Designated funds £	Restricted funds £	Total £
At 1 September 2011	425,000	67,001	2,199,083	193,403	58,826	2,943,313
Transfers between funds	-	-	75,365	(75,365)	-	-
Transfers to reserves	-	8,879	(8,879)	-	-	-
Surplus for the year	-	-	(16,957)	57,858	179	41,080
At 31 August 2012	<u>425,000</u>	<u>75,880</u>	<u>2,248,612</u>	<u>175,896</u>	<u>59,005</u>	<u>2,984,393</u>

### 19 Legal status

The charity is a company limited by guarantee and has no share capital. The liability of each member of the company in the event of winding up is limited to £1.

### 20 Capital commitment (Charity and Group)

There were no commitments for capital expenditure at 31st August 2012 not included in these statements (2011 none)