

3223210

OXFORDSHIRE
COMMUNITY
CHURCHES

OXFORDSHIRE COMMUNITY CHURCHES

Accounts – 31st August 2003



Senior Pastor: Stephen Thomas

Churches: Abingdon · Bicester · Blackbird Leys & Greater Leys · Chipping Norton · Cote ·
Didcot · Oxford · Wantage · North Witney · West Witney Incorporating: The King's School

The King's Centre
Osney Mead
Oxford OX2 0ES
Telephone: (01865) 297400
Fax: (01865) 297401
E-mail: office@occ.org.uk
Website: www.occ.org.uk

Registered Charity 1056921. A company
limited by guarantee, registered in England
and Wales, number 3223210.

OXFORDSHIRE COMMUNITY CHURCHES

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

Accounts - 31st August 2003

INDEX

- 1-3. Report of the Directors and General Information
- 4. Report of the Auditors to the Members
- 5. Statement of Financial Activities
- 6. Balance Sheet
- 7-11. Notes to the Accounts

Registered in England and Wales No 3223210

OXFORDSHIRE COMMUNITY CHURCHES

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

Directors

M Beaumont
L Garnham
C Hipsley
S Thomas
B Wood

K Bowers
M Madden
T Ogden
M Gyde (appointed 22.1.2003)

Secretary and Registered Office

A O'Connell, The King's Centre, Osney Mead, Oxford, OX2 0ES

Appointments to the Directors are made by the incumbent Directors, after wide consultation.

**REPORT OF THE DIRECTORS AND GENERAL INFORMATION
for the year ended 31st August 2003**

Principal Activity

The company's principal activities continue to be the running of a group of churches known as Oxfordshire Community Churches and the running of The King's School, Witney.

Charitable Status

The company has charitable status and is registered with the Charity Commission under registration number 1056921.

Governing Instrument

The company's activities are regulated by the Memorandum and Articles of Association. The objects of the company are:

- To advance the Christian religion
- To advance education
- To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick
- To promote other charitable objects as decided by the directors from time to time.

Directors

The above named have served throughout the year as indicated above. The directors of the company are also the trustees of the charitable activities.

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

OXFORDSHIRE COMMUNITY CHURCHES**REPORT OF THE DIRECTORS AND GENERAL INFORMATION
for the year ended 31st August 2003 (continued)****Directors' Responsibilities**

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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements, and;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate Governance

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 as their chairman, and report to the Directors.

- Executive Team – Meets monthly to assist in managing the Charity to achieve its strategic aim and objectives.
- Area Leadership Team – Meets monthly to discuss and develop the spiritual life of the Charity, and to develop and implement the Charity's strategic plans.
- Apostolic Ministry Team – Advises the Area Leadership Team on the spiritual life of the Charity, and travels world wide advising other Christian organisations.
- Area Education Team – Aim is to develop Christian Education across Oxfordshire.
- Remuneration Committee – Determines the remuneration policy and salaries of all staff.

Reserves

The majority of the charity's income is derived from regular gifts and donations. These are forecast to cover the budgeted expenditure. Additional offerings are taken which are designated towards the loan repayments on the King's Centre. Adequate reserves are held to cover unforeseen expenditure which may arise.

Donations

During the year the charity made donations amounting to £231,854.

OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION for the year ended 31st August 2003 (continued)

Review of Activities during the period

Oxfordshire Community Churches is a group of ten church congregations meeting in and around Oxfordshire.

During the year the charity has continued to pursue its main objects as outlined above. 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.

The charity received total income amounting to £2,162,464 during the year, of which £201,690 related to restricted funds. Expenditure amounted to £1,867,615, of which £154,634 was on the restricted funds. In addition to furthering its main objects of a church the charity also operates The King's School in Witney, the Kings Bible College and Training Centre (KBCTC) and a pre-school playgroup, in addition to supporting missionaries working overseas and various outreach projects.

In addition to the full time pastors of the church and the teachers in the school, the charity is dependent on the voluntary support of the church members. Such members are involved in leadership of the church congregations, administration and classroom assistance in the school. This support is acknowledged by the trustees.

Restricted Funds

There are a number of restricted funds which are accounted for separately. The detail for these is shown in note 10 to the accounts. Any income tax refunds relating to these funds are allocated accordingly. Ley's Youth is now a separate charity and from 1 September 2003 the £53,730 held in the restricted funds for Ley's Youth was transferred to this charity.

Bankers

Barclays Bank plc, Market Square, Witney, Oxon.

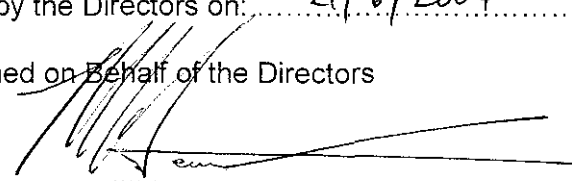
Auditors

The auditors now known as Morgan Cameron LLP, Chartered Accountants and Registered Auditors, have indicated their willingness to be reappointed to office under the Companies Act 1985.

The directors have prepared this report in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Directors on: 21/6/2004

Signed on Behalf of the Directors



.....
Director

OXFORDSHIRE COMMUNITY CHURCHES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
OXFORDSHIRE COMMUNITY CHURCHES

We have audited the financial statements of Oxfordshire Community Churches for the year ended 31st August 2003, set out on pages 5 to 11, which comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's members, 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Directors and Auditors

As described in the Statement of Directors' Responsibilities the directors, who are also the trustees of Oxfordshire Community Churches for the purposes of charity law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the company'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 of the charitable company's state of affairs as at 31st August 2003 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Morgan Cameron LLP
Chartered Accountants
and Registered Auditors



Morgan Cameron LLP
Wittas House
Two Rivers
Station Lane
Witney, Oxon
OX28 4BL

22 JUNE 2004

OXFORDSHIRE COMMUNITY CHURCHES

5.

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) for the year ended 31st August 2003

Notes	Unrestricted Funds				2002
	General £	Designated £	Restricted Funds £	Total £	£
INCOMING RESOURCES					
	864,238	469,303	124,787	1,458,328	1,375,785
1 Gifts and donations					
1 Allocation of income	(106,910)	106,410	500	0	-
Grants			58,847	58,847	9,200
Investments		0		0	45,327
Other income	43,168	578,676	18,290	640,134	544,927
Interest received	271	4,229	654	5,154	14,208
Total income	800,767	1,158,618	203,078	2,162,463	1,989,447
RESOURCES EXPENDED					
Costs of Generating Funds					
Interest on Bank Loan	0	95,747	0	95,747	24,256
Direct Charitable					
2 Activities relating to work of the Church	844,421	665,286	155,512	1,665,219	1,460,221
3 Management and administration	30,506	75,877	266	106,649	81,967
	874,927	836,910	155,778	1,867,615	1,566,444
NET INCOMING RESOURCES					
4 for the year	(74,160)	321,708	47,300	294,848	423,003
Funds introduced KBCTC				0	37,970
Trans to Capital General Funds	339,146	(339,146)	0	0	-
NET INCOME/EXPENDITURE for the year	264,986	(17,438)	47,300	294,848	460,973
Unrealised loss on investments				0	(8,573)
TOTAL FUNDS brought forward	2,303,794	184,145	21,672	2,509,611	2,057,211
TOTAL FUNDS carried forward	2,568,780	166,707	68,972	2,804,459	2,509,611

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

The notes on pages 7 to 11 form part of these financial statements.

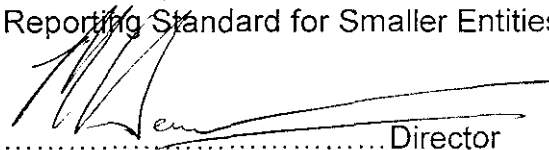
OXFORDSHIRE COMMUNITY CHURCHES

6.

BALANCE SHEET

Notes	31 st August 2003		2002
	£	£	£
FIXED ASSETS			
6	Tangible Fixed Assets	<u>4,509,289</u>	<u>3,715,327</u>
CURRENT ASSETS			
	Stock	4,159	5,253
	Debtors	21,607	14,830
	Pre-payments	7,420	3,199
	Bank Account	138,577	95,981
	Local Church bank Accounts	66,542	157,174
	School Bank Account	18,423	21,557
	KBCTC Bank Account	19,016	35,610
	Other Bank Accounts	66,466	17,946
	Investments	<u>0</u>	<u>36,754</u>
		<u>342,210</u>	<u>388,304</u>
CREDITORS: Amounts falling due within one year			
7	Bank Loan (Secured)	98,626	112,288
	Members Loans	15,500	0
	Creditors and accruals	26,451	44,268
	Social Security and other Taxes	<u>14,530</u>	<u>3,860</u>
		<u>155,107</u>	<u>160,416</u>
	NET CURRENT ASSETS	<u>187,103</u>	<u>227,888</u>
	TOTAL ASSETS LESS CURENT LIABILITIES	<u>4,696,392</u>	<u>3,943,215</u>
CREDITORS: Amounts falling due after more than one year			
7	Bank Loan (Secured)	<u>(1,891,933)</u>	<u>(1,433,604)</u>
		<u>2,804,459</u>	<u>2,509,611</u>
FUNDS			
	Unrestricted Funds		
8	General Funds	2,568,780	2,303,794
9	Designated Funds	<u>166,707</u>	<u>184,145</u>
		2,735,487	2,487,939
10	Restricted Funds	<u>68,972</u>	<u>21,672</u>
		<u>2,804,459</u>	<u>2,509,611</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and with the Financial Reporting Standard for Smaller Entities 2002


..... Director

Approved by the Board: 21/06/04

The notes on pages 7 to 11 form part of these financial statements.

OXFORDSHIRE COMMUNITY CHURCHES

NOTES TO THE ACCOUNTS for the year ended 31st August 2003

1. Accounting Policies

i) Accounting Convention -

The accounts of the company are prepared under the Companies Act 1985, historical cost convention, the Financial Reporting Standard for Smaller Entities (June 2002) and in accordance with the Charities Statement of Recommended Practice. They incorporate the results of the principal activities which are described in the directors' report and which are continuing.

ii) Depreciation -

Assets acquired by local church congregations are written off on acquisition. The other 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:

Office equipment	-	25% per annum
Kings Centre equipment	-	20% per annum

Freehold land and buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their estimated residual value is not less than the cost then no depreciation is charged as it is not material.

iii) Donations and offerings received -

Donations are accounted for when received. Any resultant deed of covenant or gift aid tax claim 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 meet its own church and administrative expenditure.

iv) Other income -

Other income is accounted for on the accruals basis so far as is prudent to do so.

v) Expenditure -

Expenditure is allocated to the relevant cost category in accordance with internal guidelines issued by the charity and is appropriate to the use derived from the resources. Expenditure includes irrecoverable VAT.

vi) The King's School -

An amount is set aside each year from the Deed of Covenant tax refund in order to provide a Bursary fund for parents of children who are unable to afford the full school fees. This allocation of funds is treated as part of the School's income for the year.

vii) Designated Funds-

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-

The charitable company operates a defined contribution 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

8.

NOTES TO THE ACCOUNTS For the year ended 31st August 2003 (continued)

2. Activities Relating to Work of the Church

	General £	Designated £	Restricted £	Total £	2002 £
Pastoral support and expenses	426,932	-	-	426,932	322,686
Hall hire	31,832	-	4,983	36,815	44,095
Youth work	26,248	-	22,887	49,135	46,237
Outreach and events	40,470	-	0	40,470	98,975
Gifts and donations	99,618	24,386	107,850	231,854	185,264
School salaries	-	368,015	-	368,015	351,912
Teaching materials	11,418	16,977	-	28,395	20,216
School expenditure	-	107,288	-	107,288	67,376
KBCTC	-	81,486	1,366	82,852	41,409
Other direct charitable	31,408	67,134	18,426	116,968	121,625
Support salaries	107,790	-	-	107,790	84,032
Support expenditure	68,705	-	-	68,705	79,394
	<u>844,421</u>	<u>665,286</u>	<u>155,512</u>	<u>1,665,219</u>	<u>1,463,221</u>

Included in gifts and donations are the following grants:

Salt and Light Ministries £20,000

3. Management and Administration

	General £	Designated £	Restricted £	Total £	
Church	12,189	-	-	12,189	21,371
The Kings Centre	18,317	-	-	18,317	-
School administration	-	49,081	-	49,081	47,881
K.B.C.T.C	-	26,796	-	26,796	12,715
Ley's Youth	-	-	266	266	-
	<u>30,506</u>	<u>75,877</u>	<u>266</u>	<u>106,649</u>	<u>81,967</u>

4. Net Incoming Resources for the year

	£	£
The net incoming resources for the year is after charging:		
Auditor's remuneration	2,937	2,703
Depreciation of tangible fixed assets	32,446	14,289
Directors' remuneration (note 6)	111,107	106,477
Pension Contribution (Employer's)	19,799	15,678
Staff Costs	583,351	494,227

During the year the average number of staff employed by the charity was 46 (2002:39)
None of the employees received remuneration in excess of £50,000 p.a.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2003 (continued)

5 Directors' Remuneration

Four directors of the company have received remuneration during the year in their capacity as pastors, as expressly permitted by the Memorandum and Articles of Association of the Company as follows:

	2003 £	2002 £
S Thomas	44,516	42,149
M Beaumont	28,023	27,070
B Wood	26,499	25,597
M Madden	12,069	11,661
	<u>£111,107</u>	<u>£106,477</u>

During the year £856 has been paid for a Trustee Indemnity Insurance policy. There were no other transactions with, or expenses paid to, the directors.

No pension contributions are made on behalf of the Directors.

6 Tangible Fixed Assets

	Freehold property £	Office Equipment £	Bus £	Total £
Cost/Valuation				
At 1.9.02	3,596,797	152,528	17,500	3,766,825
Additions	797,501	28,907		826,408
Disposals			(17,500)	(17,500)
At 31.8.03	<u>4,394,298</u>	<u>181,435</u>	<u>0</u>	<u>4,575,733</u>
Accumulated depreciation				
At 1.9.02	-	33,998	17,500	51,498
Charge for year	-	32,446		32,446
Disposal			(17,500)	(17,500)
At 31.8.03	<u>-</u>	<u>66,444</u>	<u>0</u>	<u>66,444</u>
Net book value				
At 31.8.03	<u>4,394,298</u>	<u>114,991</u>	<u>0</u>	<u>4,509,289</u>
At 31.8.02	<u>3,596,797</u>	<u>118,530</u>	<u>0</u>	<u>3,715,327</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, which is also used by the Oxford congregation and the King's School site in Witney which is also used by the North Witney congregation.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2003 (continued)

7 Bank Loans

The bank loans are repayable over 19 years by monthly instalments. The loans are secured on the company's properties in Witney and Oxford.

8 General Funds

	2003		2002	
	Area	Local Churches	Area	Local Churches
	£	£	£	£
Fixed Assets Kings Centre	3,530,494	-	2,732,993	-
Fixed Assets School	863,804	-	863,804	-
Equipment	111,049	-	112,272	-
Cash	858	66,542	(11,965)	157,174
Debtors and Prepayments	20,148	3,142	12,674	3,086
Bank Loan	(1,990,559)	-	(1,545,892)	-
Members Loans	(15,500)	-	-	-
Creditors and accruals	(12,309)	(8,889)	(14,588)	(5,764)
	<u>£2,507,985</u>	<u>£60,795</u>	<u>£2,149,298</u>	<u>£154,496</u>

9 Designated Funds

Each year the charity seeks to set aside the deed of covenant and gift aid tax refund arising on the general fund for special purposes or projects. This together with other income specifically designated by the trustees form the designated funds as follows:

	At 1-9-02	Income	Expenditure	Transfer	At 31-8-03
	£	£	£	£	£
Building Fund	77,164	349,803	(162,881)	(180,760)	83,326
Gift Aid Tax Refunds	50,000	158,386	-	(158,386)	50,000
The King's School	10,854	536,217	(541,361)	-	5,710
K.B.C.T.C	28,591	102,969	(108,282)	-	23,278
Mission Fund	17,536	11,243	(24,386)	-	4,393
	<u>£184,145</u>	<u>£1,158,618</u>	<u>£(836,910)</u>	<u>£(339,146)</u>	<u>£166,707</u>

The above funds are held as follows:

	Building Fund	Gift Aid Tax Refunds	The King's School	K.B.C.T.C	Mission Fund	Total
Equipment	-	-	2,428	1,514	-	3,942
Stock	-	-	2,500	500	-	3,000
Cash and Bank Balances	83,326	50,000	18,423	17,960	4,393	174,102
Debtors and Prepayments	-	-	332	4,997	-	5,329
Creditors and accruals	-	-	(17,973)	(1,693)	-	(19,666)
	<u>£83,326</u>	<u>£50,000</u>	<u>£5,710</u>	<u>£23,278</u>	<u>£4,393</u>	<u>£166,707</u>

OXFORDSHIRE COMMUNITY CHURCHES

11.

NOTES TO THE ACCOUNTS for the year ended 31st August 2003 (continued)

10 Restricted Funds

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

	At 1-9-02 £	Income £	Expenditure £	At 31-8-03 £
Other	0	67,891	(67,891)	0
KBCTC	2,180	242	(1,366)	1,056
Pre-school	6,026	14,757	(13,258)	7,525
Missionary Support	3,157	43,353	(39,959)	6,551
Leys Youth	10,347	71,219	(27,836)	53,730
Kings Coach	(245)	1,389	(1,144)	0
Jubilees	207	4,227	(4,324)	110
	<u>£21,672</u>	<u>£203,078</u>	<u>£(155,778)</u>	<u>£68,972</u>

The above funds are held as follows:

	KBCTC £	Pre-school £	Missionary Support £	Leys Youth £	Jubilees £	Total £
Stock	-	1,159	-	-	-	1,159
Bank and cash balances	1,056	6,366	6,551	53,439	110	67,522
Debtors + Prepayments	-	-	-	408	-	408
Creditors and accruals	-	-	-	(117)	-	(117)
	<u>£1,056</u>	<u>£7,525</u>	<u>£6,551</u>	<u>£53,730</u>	<u>£110</u>	<u>£68,972</u>

11 Analysis of Net Assets by Fund

	General £	Designated Funds £	Restricted Funds £	Total £	2002 £
Fixed assets	4,505,347	3,942	-	4,509,289	3,715,327
Current assets	90,690	182,431	69,089	342,210	388,304
Creditors: due within one year	(135,324)	(19,666)	(117)	(155,107)	(160,416)
Creditors: due after more than one year	(1,891,933)	-	-	(1,891,933)	(1,433,604)
Net asset 31st August 2003	<u>£2,568,780</u>	<u>£166,707</u>	<u>£68,972</u>	<u>£2,804,459</u>	<u>£2,509,611</u>

12 Future Commitments

The charitable company has an obligation on the lease of the senior site of the Kings school, Witney. The lease runs for two years from September 2003 at an annual rental of £18,200.