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Clarendon Trust Limited

Report and Financial Statements

Year ended 31 December 2005



church of
Christ
the **King**

CLARENDON TRUST LIMITED

Financial Statements - 31 December 2005

CONTENTS

	Page
General Information	1
Trustees' Report	2-4
Independent Auditors' Report	5
Consolidated Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8-20

CLARENDON TRUST LIMITED

General Information

TRUSTEES: K H Brooks
P D Brooks (resigned 11 October 2005)
S J Horne (appointed 11 October 2005)
J Hosier
P L J Jarvis
N D Jones
C J Karley
S S Radley
N D Ring
K Wintermeyer

REGISTERED OFFICE: 21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

SECRETARY: K Rose

CHURCH MEETING PLACE: Church of Christ the King
The Clarendon Centre
New England Street
Brighton
BN1 4GT

BANKERS: National Westminster Bank plc
103 Church Road
Hove
East Sussex
BN3 2BF

REGISTERED AUDITORS: BDO Stoy Hayward LLP
Emerald House, East Street
Epsom, Surrey
KT17 1HS

SOLICITORS: Charles Russell
8 - 10 New Fetter Lane
London
EC4A 1RS

REGISTERED CHARITY NUMBER: 1069942

REGISTERED COMPANY NUMBER: 3546759

CLARENDON TRUST LIMITED

Trustees' Annual Report

The trustees present their report and the financial statements for the year ended 31 December 2005.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the trustees, who are also directors for Companies Act purposes, to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the group and the charitable company and of the net incoming or outgoing resources of the group for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable United Kingdom accounting standards subject to any material departures disclosed and explained in the financial statements, and state whether the financial statements have been prepared in accordance with statements of recommended practice; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993 and regulations thereunder. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGAL CONSTITUTION

The company was incorporated on 16 April 1998, and was registered as a charity, registered number 1069942, on 5 June 1998. It is governed by its Memorandum and Articles of Association.

The company is limited by guarantee and has no share capital. The charity is also known as Church of Christ the King.

OBJECTIVES

The main objectives of the charitable company are to advance the Christian faith, to provide assistance for aged persons and those in conditions of need, hardship or distress, and to make gifts, donations or loans to any charitable religious institution. These objectives have not changed during the year.

REVIEW OF ACTIVITIES

The accounts on pages 6 to 19 comply with statutory requirements of the Memorandum and Articles of Association.

The Consolidated Statement of Financial Activities on page 6 shows total net outgoing resources of £ 4,055 (2004 – £26,092). The charitable company has continued to fund, out of the general fund, a variety of projects and activities, which are in line with its stated objectives. The level of activity for the year was satisfactory. There was a balance of £398,718 (2004 - £326,887) on the unrestricted funds at the year end.

CLARENDON TRUST LIMITED

Trustees' Report (continued)

REVIEW OF ACTIVITIES (continued)

The principal restricted fund operated by the charity is the building fund. This has been used to fund the purchase and construction of the Clarendon Centre.

The main asset of the charitable company is the freehold property known as the Clarendon Centre, which is used as a church meeting place. Additionally in 2002 a property was purchased for the purpose of establishing a Supported Housing Unit. From 1 January 2003 the activities of the Supported Housing Unit were transferred to Friends First, a company limited by guarantee and registered as a charity, established for this purpose. Clarendon Trust Limited is the sole corporate trustee of this charitable company. The results of Friends First, as a subsidiary, are consolidated in to these financial statements and are included within restricted funds.

The charitable company is dependent upon the continued receipt of donated income. At the year end its financial position was satisfactory.

The charitable company receives a certain amount of voluntary help. It is not possible to quantify the value of this.

TRUSTEES

The trustees set out below have held office during the whole of the period from 1 January 2005 to the date of this report, unless otherwise stated:

K H Brooks	N D Jones
P D Brooks (resigned (11 October 2005)	C J Karley
S J Horne (appointed 11 October 2005)	S S Radley
J Hosier	N D Ring
P L J Jarvis	K Wintermeyer

None of the trustees/directors held any beneficial interest in the charitable company.

RISK MANAGEMENT

The trustees have recognised the importance of assessing and managing risk associated with the charity's objectives. The process of identifying risk is ongoing and has been an essential part of the management of the charity for some years. The trustees implemented systems to ensure identification, management and documentation of the foreseeable risks.

RESERVES POLICY

The trustees have formulated a reserves policy in line with Charity Commission guidance. This is linked to the trust's strategic plan. It is the trustees' intention to maintain free reserves sufficient to enable the trust to meet its recurring expenditure for the foreseeable future. The status of restricted and designated funds, and the finalisation of capital expenditure plans have been reviewed and consequently the free reserves are more clearly identifiable.

CLARENDON TRUST LIMITED

Trustees' Report (continued)

AUDITORS

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to reappoint them will be approved at the Annual General Meeting.

The company is limited by guarantee and does not have a share capital. The liability of the members is £10 each in the event of the company being wound up.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the trustees on 25 April 2006 and signed on their behalf by



K Rose
Secretary

21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLARENDON TRUST LIMITED

We have audited the financial statements of Clarendon Trust Ltd for the year ended 31 December 2005 on pages 6 to 20 which have been prepared under the accounting policies set out on pages 8 and 9.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 if, in our opinion, the Trustees' Report is not consistent with the financial statements, if 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 transactions with the charity 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 report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability

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 trustees 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 affairs of the charity at 31 December 2005, and of the charity's incoming resources and resources expended, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD LLP

Chartered Accountants & Registered Auditors

Epsom, Surrey

Date: 25 April 2006

CLARENDON TRUST LIMITED

Consolidated Statement of Financial Activities For the Year Ended 31 December 2005

INCOME AND EXPENDITURE	Notes	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Incoming resources					
Donations and gifts	2	1,816,426	135,687	1,952,113	1,779,050
Activities in furtherance of the charity's objects					
Local Authority funding		0	182,607	182,607	174,367
Residents' contributions		0	12,843	12,843	6,883
Conferences and other events		105,387	0	105,387	35,122
Jubilee Books and Music sales		94,116	0	94,116	125,590
Bank interest		3,870	2,174	6,044	6,399
Total incoming resources		<u>2,019,799</u>	<u>333,311</u>	<u>2,353,110</u>	<u>2,127,411</u>
Resources expended					
Charitable expenditure					
Costs of activities in furtherance of the charity's objects					
Conference costs		22,003	17,735	39,738	35,017
Jubilee Books and Music costs		105,121	0	105,121	128,860
Fundraising and publicity		0	3,103	3,103	486
Pastoral costs		1,011,831	1,375	1,013,206	959,675
Mission support costs		305,522	90,815	396,337	249,072
Supported Housing Unit		0	179,133	179,133	169,932
Support costs		415,925	0	415,925	414,117
Management and administration	3	61,816	142,786	204,602	196,344
Total resources expended	4	<u>1,922,218</u>	<u>434,947</u>	<u>2,357,165</u>	<u>2,153,503</u>
Net movement in funds		97,581	(101,636)	(4,055)	(26,092)
Transfers		(25,750)	25,750	0	0
		<u>71,831</u>	<u>(75,886)</u>	<u>(4,055)</u>	<u>(26,092)</u>
Fund balances brought forward at 1 January 2005		<u>326,887</u>	<u>2,313,777</u>	<u>2,640,664</u>	<u>2,666,756</u>
Fund balances carried forward at 31 December 2005	14	<u><u>£398,718</u></u>	<u><u>£2,237,891</u></u>	<u><u>£2,636,609</u></u>	<u><u>£2,640,664</u></u>

The net outgoing resources reflect the results of continuing activities for the year. There were no recognised gains or losses for the year other than those shown on the Consolidated Statement of Financial Activities. The net outgoing resources have been calculated on the historical cost basis.

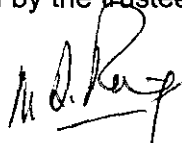
CLARENDON TRUST LIMITED

Balance Sheet at 31 December 2005

	Notes	2005 Group £	2004 Group £	2005 Charity £	2004 Charity £
FIXED ASSETS					
Tangible assets	7	2,773,442	2,784,917	2,770,007	2,782,413
CURRENT ASSETS					
Stock	8	20,548	24,213	20,548	24,213
Debtors	9	196,952	79,780	187,879	109,670
Cash at bank and in hand		240,782	358,532	227,826	291,637
		<u>458,282</u>	<u>462,525</u>	<u>436,253</u>	<u>425,520</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(173,488)</u>	<u>(184,599)</u>	<u>(156,840)</u>	<u>(154,565)</u>
NET CURRENT ASSETS		<u>284,794</u>	<u>277,926</u>	<u>279,413</u>	<u>270,955</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,058,236	3,062,843	3,049,420	3,053,368
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
	11	<u>(421,627)</u>	<u>(422,179)</u>	<u>(421,627)</u>	<u>(422,179)</u>
NET ASSETS		<u><u>£2,636,609</u></u>	<u><u>£2,640,664</u></u>	<u><u>£2,627,793</u></u>	<u><u>£2,631,189</u></u>
FUNDS					
Unrestricted funds					
General funds	12	258,375	127,165	215,561	137,165
Designated funds	12	140,343	199,722	140,343	199,722
Restricted funds	13	<u>2,237,891</u>	<u>2,313,777</u>	<u>2,229,075</u>	<u>2,294,302</u>
TOTAL FUNDS	14	<u><u>£2,636,609</u></u>	<u><u>£2,640,664</u></u>	<u><u>£2,627,793</u></u>	<u><u>£2,631,189</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the trustees on 25 April 2006 and signed on their behalf by



N D Ring - Trustee

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice 2000 (SORP 2000) 'Accounting and Reporting by Charities'.

(a) Accounting convention and basis of preparation

The financial statements are prepared under the historical cost convention.

Consolidated accounts have been prepared which include the Clarendon Trust Limited and Friends First. A separate Statement of Financial Activities, or Income and Expenditure Account, has not been presented for the charitable company itself as it has taken advantage of the exemptions afforded by paragraph 304 of the SORP 2000. As a small group, Clarendon Trust Limited is taking advantage of the exemptions available in Financial Reporting Standard (FRS) 1 not to include a cash flow statement or information about its cash flows in these financial statements.

(b) Donations

Donations received are recognised in the statement of financial activities when received together with any related tax credits.

(c) Jubilee Books and Music sales

Turnover from the Jubilee Books and Music shop is recognised on an invoice basis although most income is received from cash sales recognised at time of sale.

(d) Allocation of expenditure

In general, expenditure is allocated between cost of generating funds, charitable expenditure, support costs and the cost of management and administration of the charitable company on an invoice basis. Staff costs are apportioned on the basis of actual time spent.

(e) Fixed assets and depreciation

Capital expenditure is capitalised and shown at cost as fixed assets in the balance sheet. Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. No depreciation is charged on freehold land.

Depreciation is taken in full in the first year and calculated to write off the cost less estimated residual value on a written down basis over their estimated useful lives. The rates are:

Freehold Property	2%
Fixtures, Fittings and Office Equipment	20%
Motor Vehicles	30%

(f) Voluntary assistance

A certain amount of time is expended on the charitable company's activities which is donated free of charge. It is not possible to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

1 ACCOUNTING POLICIES (continued)

(g) Stock

Stock is stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out method and consists of the direct cost of books, compact discs and tapes.

(h) Taxation

All of the charitable company's activities and income are exempt from direct taxation.

(i) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Consolidated Statement of Financial Activities for 2005 was £86,908 (2004 - £100,697).

(j) Fund accounting

An explanation of the nature and purpose of each fund is included in the notes to the financial statements. Funds held by the charity are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2 DONATIONS AND GIFTS

	2005 £	2004 £
Donations	1,361,110	1,233,255
Grant from New Frontiers International Trust Ltd	413,976	446,605
Other funding	41,341	3,858
	<hr/>	<hr/>
	£1,816,426	£1,683,718
	<hr/>	<hr/>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

3 MANAGEMENT AND ADMINISTRATION OF THE TRUST

	Unrestricted funds £	Restricted funds £	Total 2005 £	Total 2004 £
Depreciation and office costs	33,596	77,210	110,806	98,202
Staff costs	0	33,350	33,350	22,536
Legal and professional fees	10,966	1,230	12,196	5,062
Audit fee	11,313	3,000	14,313	14,523
Bank interest and charges	5,941	25,918	31,859	28,895
Sundries	0	2,078	2,078	27,126
	<u>£61,816</u>	<u>£142,786</u>	<u>£204,602</u>	<u>£196,344</u>

4 TOTAL RESOURCES EXPENDED

	Depreciation £	Staff costs £	Other costs £	Total 2005 £	Total 2004 £
Conference costs	0	0	39,738	39,738	35,017
Jubilee Books and Music	541	30,150	74,430	105,121	128,860
Fundraising and publicity	0	0	3,103	3,103	486
Pastoral costs	0	788,840	224,366	1,013,206	959,675
Mission Support costs	0	0	396,337	396,337	249,072
Supported Housing Unit	0	138,351	40,782	179,133	169,932
Support costs	0	242,372	173,553	415,925	414,117
Management and administration	108,463	33,350	62,789	204,602	196,344
	<u>£109,004</u>	<u>£1,233,063</u>	<u>£1,015,098</u>	<u>£2,357,165</u>	<u>£2,153,503</u>

5 TRUSTEES

In accordance with the charitable company's Memorandum and Articles of Association, the following trustees received a salary from the charitable company during the year:

P D Brooks	£33,650	(2004 - £40,658)
S J Horne	£5,982	(2004 - £nil)
J Hosier	£42,606	(2004 - £40,274)
N Jones	£34,608	(2004 - £33,929)
N D Ring	£47,006	(2004 - £46,324)

Expenses of £3,550 (2004 - £3,386) were reimbursed to five (2004 - four) trustees during the year to cover travel costs.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

6 STAFF COSTS

Group	2005 £	2004 £
Gross salaries	1,051,208	977,098
Social security costs	94,947	103,540
Pension costs	86,908	100,697
	<u>£1,233,063</u>	<u>£1,181,335</u>

The average number of persons employed by the group during the year was as follows:

	2005 Number	2004 Number
Charitable expenditure		
Pastoral	29	28
Jubilee Books and Music	4	4
Support and administration	19	19
	<u>52</u>	<u>51</u>

The number of employees whose annual emoluments fell within the following bands are:

	2005	2004
£50,000 - £60,000	3	2
£60,001 - £70,000	0	1
£70,001 - £80,000	1	1
	<u>=</u>	<u>=</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

7 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and office equipment £	Motor vehicles £	Total £
COST				
At 1 January 2005	3,477,585	454,610	13,748	3,945,943
Additions	0	96,598	0	96,598
Disposals	0	0	0	0
At 31 December 2005	<u>£3,477,585</u>	<u>£551,208</u>	<u>£13,748</u>	<u>£4,042,541</u>
Subsidiary at 31 December 2005	<u>0</u>	<u>7,030</u>	<u>0</u>	<u>7,030</u>
Group at 31 December 2005	<u>£3,477,585</u>	<u>£558,238</u>	<u>£13,748</u>	<u>£4,049,571</u>
ACCUMULATED DEPRECIATION				
At 1 January 2005	854,024	299,057	10,449	1,163,530
Charge for the year	59,406	48,608	990	109,004
Disposals	0	0	0	0
At 31 December 2005	<u>£913,430</u>	<u>£347,665</u>	<u>£11,439</u>	<u>£1,272,534</u>
Subsidiary at 31 December 2005	<u>0</u>	<u>3,595</u>	<u>0</u>	<u>3,595</u>
Group at 31 December 2005	<u>£913,430</u>	<u>£351,260</u>	<u>£11,439</u>	<u>£1,276,129</u>
NET BOOK VALUES				
At 31 December 2004	<u>£2,623,561</u>	<u>£155,553</u>	<u>£3,299</u>	<u>£2,782,413</u>
At 31 December 2005	<u>£2,564,155</u>	<u>£203,543</u>	<u>£2,309</u>	<u>£2,770,007</u>
Subsidiary at 31 December 2005	<u>0</u>	<u>3,435</u>	<u>0</u>	<u>3,435</u>
Group at 31 December 2005	<u>£2,564,155</u>	<u>£206,978</u>	<u>£2,309</u>	<u>£2,773,442</u>
Depreciation rates	2%	20%	30%	

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

8 STOCK

Group and charity	2005 £	2004 £
Goods for resale	<u>£20,548</u>	<u>£24,213</u>

9 DEBTORS

	2005 Group £	2004 Group £	2005 Charity £	2004 Charity £
DUE WITHIN ONE YEAR				
Other debtors	362	1,591	362	1,231
Prepayments and accrued income	191,294	72,893	172,221	82,893
Due from subsidiary undertaking	0	0	10,000	20,250
	<u>191,656</u>	<u>74,484</u>	<u>182,583</u>	<u>104,374</u>
DUE AFTER ONE YEAR				
Other debtors (accommodation fund loans)	5,296	5,296	5,296	5,296
	<u>£196,952</u>	<u>£79,780</u>	<u>£187,879</u>	<u>£109,670</u>

Included above are loans totalling £5,296 (2004 - £5,296) made from the accommodation fund. These loans are all interest-free.

10 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 Group £	2004 Group £	2005 Charity £	2004 Charity £
Bank loan	60,000	60,000	60,000	60,000
Jubilee loan	14,350	14,350	14,350	14,350
Taxation and social security	2,380	958	2,380	958
Accruals and deferred income	96,758	109,291	80,110	79,257
	<u>£173,488</u>	<u>£184,599</u>	<u>£156,840</u>	<u>£154,565</u>

New Frontiers International Trust Ltd. provided the Jubilee loan (current balance of £14,350) interest-free. This will be repaid out of the Jubilee Books and Music profits. Any outstanding balance in 2009 will be written off.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

11 CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and charity	2005 £	2004 £
Bank loan	321,627	322,179
Other creditors	100,000	100,000
	<u>£421,627</u>	<u>£422,179</u>
Analysis of bank loan		
Loan principal outstanding at 31 December	381,627	382,179
Included in current liabilities	(60,000)	(60,000)
	<u>£321,627</u>	<u>£322,179</u>
Bank loan maturity analysis		
Amounts payable:		
Between one and two years	60,000	60,000
Between two and five years	180,000	180,000
More than five years	81,627	82,179
	<u>£321,627</u>	<u>£322,179</u>

In 2002, the charitable company negotiated a loan facility of £567,000 to assist in the purchase and refurbishment of 60 Wilbury Road, Hove.

During the year, £nil was drawn and £552 was repaid.

The loan is repayable by minimum capital payments of £60,000 each year but delayed repayments have been agreed pending a large injection of funds from a local charity.

Interest is calculated on a floating rate basis at 2% per annum above base rate, with payment deferred on the same arrangement as capital repayments.

The loan is secured by a legal mortgage over the charitable company's property at 60 Wilbury Road, Hove.

The amount in other creditors is an interest free loan from a member of the Church. The loan is repayable either upon the lender giving the charitable company three months notice of repayment being required or at the charitable company's discretion.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

12 UNRESTRICTED FUNDS

Group	Balance at 1 January 2005 £	Movement in resources			Balance at 31 December 2005 £
		Incoming £	Outgoing £	Transfers £	
Designated fund					
Maintenance fund	24,894	0	(5,752)	10,010	29,152
Gift Day fund	111,389	369,474	(192,361)	(210,066)	78,436
Worship School fund	14,986	13,014	(5,232)	(15,912)	6,856
Missions fund	16,717	0	(2,185)	0	14,532
God TV programmes	21,870	0	(2,698)	(18,768)	404
Hot Zones	2,606	0	(1,256)	0	1,350
Urban Impact	3,186	0	(298)	0	2,888
IT & Technical	4,074	0	(1,662)	(2,395)	17
Impact student fund	0	0	0	6,708	6,708
General fund	127,165	1,637,311	(1,710,774)	204,673	258,375
	<u>£326,887</u>	<u>£2,019,799</u>	<u>£(1,922,218)</u>	<u>(25,750)</u>	<u>£398,718</u>

Charity	Balance at 1 January 2005 £	Movement in resources			Balance at 31 December 2005 £
		Incoming £	Outgoing £	Transfers £	
Designated fund					
Maintenance fund	24,894	0	(5,752)	10,010	29,152
Gift Day fund	111,389	369,474	(192,361)	(210,066)	78,436
Worship School fund	14,986	13,014	(5,232)	(15,912)	6,856
Missions fund	16,717	0	(2,185)	0	14,532
God TV programmes	21,870	0	(2,698)	(18,768)	404
Hot Zones	2,606	0	(1,256)	0	1,350
Urban Impact	3,186	0	(298)	0	2,888
IT & Technical	4,074	0	(1,662)	(2,395)	17
Impact student fund	0	0	0	6,708	6,708
General fund	137,165	1,647,562	(1,720,775)	194,423	258,375
	<u>£336,887</u>	<u>£2,030,050</u>	<u>£(1,932,219)</u>	<u>(36,000)</u>	<u>£398,718</u>

The **Maintenance fund** is monies set aside by the trustees towards the costs of future maintenance.

The **Gift Day fund** is the balance of monies raised through Gift Days during the year and allocated but not yet spent.

The **Worship School fund** represents monies raised from the Worship School programme and is set aside against future expenditure related to the promotion of music and worship within the church.

The **Missions fund** has been established to encourage and enable all aspects of outreach and mission from the church.

Notes to the Financial Statements
For the Year Ended 31 December 2005

12 UNRESTRICTED FUNDS (continued)

The **Admin office fund** was created to assist with the refurbishment of particular administrative offices of the charity and work was completed during the year.

The **God TV Programmes fund** is monies set aside for recording of church meetings for later production and distribution as TV programmes or in other digital media.

The **Hot Zone and Urban Impact funds** have been established to provide an opportunity for ongoing activities designed to benefit communities in the Brighton & Hove area.

The **IT & Technical fund** has been created to enable the purchase of equipment in the future which is likely to be more expensive than can be borne in any one financial year.

The **Impact student fund** allows for funds to be set aside to provide contributions for those who are part of the Impact training course.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

13 RESTRICTED FUNDS

Group	Balance at	Movement in resources			Balance at
	1 January 2005 £	Incoming £	Outgoing £	Transfers £	31 December 2005 £
Building fund	1,869,640	0	(53,427)	0	1,816,213
Accommodation fund	12,597	249	(102)	0	12,744
Alternatives	1,940	17,531	(17,735)	0	1,736
Special Needs fund	1,375	0	(1,218)	5,000	5,157
Supported Housing Unit	381,095	733	(46,957)	26,000	360,871
Oasis En Gedi	27,399	46,692	(65,917)	0	8,174
Israel	256	5,600	(4,855)	0	1,001
Tsunami Appeal	0	31,830	(20,043)	0	11,787
S Dawson fund	0	5,000	0	5,000	10,000
Police checking fund	0	1,549	(157)	0	1,392
Residents' benefit	1,368	815	0	0	2,183
Friends First	18,107	223,312	(224,536)	(10,250)	6,633
	<u>£2,313,777</u>	<u>£333,311</u>	<u>£(434,947)</u>	<u>£25,750</u>	<u>£2,237,891</u>

Charity	Balance at	Movement in resources			Balance at
	1 January 2005 £	Incoming £	Outgoing £	Transfers £	31 December 2005 £
Building fund	1,869,640	0	(53,427)	0	1,816,213
Accommodation fund	12,597	249	(102)	0	12,744
Alternatives	1,940	17,531	(17,735)	0	1,736
Special Needs fund	1,375	0	(1,218)	5,000	5,157
Supported Housing Unit	381,095	733	(46,957)	26,000	360,871
Oasis En Gedi	27,399	46,692	(65,917)	0	8,175
Israel	256	5,600	(4,855)	0	1,001
Tsunami Appeal	0	31,830	(20,043)	0	11,787
S Dawson fund	0	5,000	0	5,000	10,000
Police checking fund	0	1,549	(157)	0	1,392
	<u>£2,294,302</u>	<u>£109,184</u>	<u>£(210,411)</u>	<u>£36,000</u>	<u>£2,229,075</u>

The **Building fund** is represented by the building and the establishment of the Clarendon Centre, and cash, less interest free loans.

The **Accommodation fund** includes debtors, being loans advanced to people in need of accommodation. These loans are only provided against when the trustees consider them to be irrecoverable.

Alternatives is represented by cash and provides a pregnancy advisory service.

The **Special Needs fund** is represented by cash and provides financial assistance to needy parishioners.

**Notes to the Financial Statements
For the Year Ended 31 December 2005**

13 RESTRICTED FUNDS (continued)

The **Supported Housing Unit fund** is represented by the building and refurbishment of 60 Wilbury Road, associated liabilities plus cash and provides a hostel service.

Oasis En Gedi and **Israel** are funds which support individuals working overseas as missionaries.

The **Tsunami Appeal** was established following the international disaster on Boxing Day (2004). This will provide housing for families in Sri Lanka.

The **S Dawson fund** has been established with contributions from the Church Urban Fund to support community work in Moulescombe.

In order to comply fully with Child Protection legislation all members working with children and young people are required to undergo CRB checking and the **Police checking fund** covers the associated costs.

The **Residents' benefit fund** has been set aside for the purpose of purchasing for residents items which would not otherwise be available to them.

Friends First is the general fund from the subsidiary.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,817,884	(1,671)	0	1,816,213
Accommodation fund	0	12,744	0	12,744
Alternatives Counselling Centre	0	1,736	0	1,736
Special Needs fund	0	5,157	0	5,157
Supported Housing Unit fund	808,118	(25,620)	(421,627)	360,871
Oasis En Gedi	0	8,174	0	8,174
Israel	0	1,001	0	1,001
Tsunami Appeal	0	11,787	0	11,787
S Dawson fund	0	10,000	0	10,000
Police checking fund	0	1,392	0	1,392
Residents' benefit	0	2,183	0	2,183
Friends First	0	6,633	0	6,633
	<u>2,626,002</u>	<u>33,516</u>	<u>(421,627)</u>	<u>2,237,891</u>
Unrestricted funds				
General funds	147,440	110,935	0	258,375
Designated funds	0	140,343	0	140,343
	<u>£2,773,442</u>	<u>£284,794</u>	<u>£(421,627)</u>	<u>£2,636,609</u>

Charity	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,817,884	(1,671)	0	1,816,213
Accommodation fund	0	12,744	0	12,744
Alternatives Counselling Centre	0	1,736	0	1,736
Special Needs fund	0	5,157	0	5,157
Supported Housing Unit fund	808,118	(25,620)	(421,627)	360,871
Oasis En Gedi	0	8,174	0	8,174
Israel	0	1,001	0	1,001
Tsunami Appeal	0	11,787	0	11,787
S Dawson fund	0	10,000	0	10,000
Police checking fund	0	1,392	0	1,392
	<u>2,626,002</u>	<u>24,700</u>	<u>(421,627)</u>	<u>2,229,075</u>
Unrestricted funds				
General funds	144,005	114,370	0	258,375
Designated funds	0	140,343	0	140,343
	<u>£2,770,007</u>	<u>£279,413</u>	<u>£(421,627)</u>	<u>£2,627,793</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2005

15 CONNECTED CHARITY

The charitable company is connected with New Frontiers International Trust Limited (of 17 Clarendon Villas, Hove, East Sussex, BN3 3RE) in that the charities have two common trustees. During the year, New Frontiers International Trust Limited (Newfrontiers) made a grant of £413,976 (2004 - £446,605) to Clarendon Trust Limited and Clarendon Trust Limited tithed £83,095 (2004 - £78,775) to Newfrontiers. The trustees do not consider that Clarendon Trust Limited controls New Frontiers International Trust Limited.

Included in creditors falling due within one year is an interest-free loan of £14,350 (2004 - £14,350) made by Newfrontiers to Jubilee Books and Music (part of Clarendon Trust Limited).

Several staff of Clarendon Trust Limited spend time working for both the charitable company and Newfrontiers. These staff are paid by Clarendon Trust Limited and part of the grant from Newfrontiers is a reimbursement for the proportion of these salaries which relates to Newfrontiers. All staff in this situation are the subject of joint contracts of employment.

16 SHARE CAPITAL

The company is limited by guarantee and does not have a share capital.

The liability of the members is £10 each in the event of the company being wound up.

17 COMMITMENT

At 31 December 2005, the group was committed to making the following payment under a non-cancellable operating lease in the year to 31 December 2005:

	2005	2004
Operating lease which expires:		
Within 2 to 5 years	<u>£1,596</u>	<u>£1,596</u>

18 SUBSIDIARY

During 2003, the activities of the Supported Housing Unit were taken over by Friends First, a subsidiary under the control of Clarendon Trust Limited. The net funds of the subsidiary at 31 December 2005 were £8,816 (2004 - £19,475). During the year ended 31 December 2005, Friends First generated incoming resources of £224,127 and expended resources of £234,786.