

Company number 3546759

Clarendon Trust Limited
Report and Financial Statements
Year ended 31 December 2017

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CLARENDON TRUST LIMITED

Financial Statements - 31 December 2017

CONTENTS

	Page
Trustees' Report	1-8
Independent Auditors' Report	9-10
Consolidated Statement of Financial Activities	11
Balance Sheet	12
Consolidated Cash Flow Statement	13
Notes to the Financial Statements	14 -25

CLARENDON TRUST LIMITED

TRUSTEES' REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

Clarendon Trust Limited is a registered charity (1069942) and a company limited by guarantee (3546759).

Its registered office is: 21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

The Trustees throughout the year, (unless otherwise shown), and at the date the report is signed were:

T Fahy (resigned on 18th July 2017)
S Horne
P Jarvis
N Jones
H Evans
J Foreman
I Bailey
K Stevens
M Sibanda
K Ball

Company Secretary A Waller

The senior staff of the charity throughout the year were: S Boon - Elder
S Horne - Elder
N Jones - Elder
J Virgo – Elder
S Dawson – Elder
M Davis - Elder

The church meeting places are:

Brighton Racecourse	Clarendon Centre	Clarendon Villas Building	Shoreham Centre
Freshfield Road	47 New England Street	21-23 Clarendon Villas	2 Pond Road
Brighton	Brighton	Hove	Shoreham-by-Sea
BN2 9XZ	BN1 4GT	BN3 3RE	BN43 5WU

The company's advisors are:

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

Registered Auditors: Chariot House Limited
44 Grand Parade
Brighton
BN2 9QA

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

The trustees present their report and the financial statements for the year ended 31 December 2017. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 and 15 and comply with the current statutory requirements, the memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 16 April 1998 and was registered as a charity 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 liability of the members is £10 each in the event of the company being wound up. The charity is also known as Emmanuel. At the end of 2017 the church name was changed from Church of Christ the King (CCK) to Emmanuel.

Potential new trustees are recommended by the Elders of the church and are appointed by the members, if considered suitable following interview by the existing trustees. The induction process for trustees involves supplying them with copies of the Memorandum & Articles of Association, recent Accounts and Minutes of trustees' Meetings. They are also shown the work of Clarendon Trust Limited and meet with the senior staff. Opportunities for training are also made available through our lawyers and auditors. Trustees meet regularly through the year and all the major decisions of the charity are made with them in consultation with the church Elders.

Friends First Trust and Oaks Trust are connected with Clarendon Trust Ltd (of 17 Clarendon Villas, Hove, East Sussex BN3 3RE) in that the charities have common trustees and Clarendon Trust Ltd is the sole corporate member of both Friends First Trust and Oaks Trust.

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. Clarendon Trust and its subsidiaries Friends First Trust and Oaks Trust have a set of comprehensive policies and rules in place to ensure ongoing identification, management and documentation of foreseeable risks.

Financial Sustainability is monitored through the Finance Department, Trustee meetings and sub-committees. Regular management accounts give an up-to-date picture of Clarendon Trust's financial position each month and cashflow forecasts monitors the organisation's liquidity.

Attention has also been focussed on non-financial risks arising from fire, health and safety, and food hygiene. Members of staff undergo relevant training on a regular basis. A comprehensive insurance policy exists to ensure that all insurable risks are covered. DBS checks are in place to safeguard young people and minimise the risk of inappropriate persons being involved in pastoral and youth work.

OBJECTIVES AND ACTIVITIES

Clarendon Trust is a public benefit entity. 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.

Clarendon Trust aims to encourage, equip and care for members of the church in Brighton and Hove as well as to work with individuals and organisations in the United Kingdom and internationally who share the charity's vision and values.

CLARENDON TRUST LIMITED

Trustees' Report – continued

The key elements of the charity's strategy are:

- to preach and spread the message of the Christian gospel;
- to build and grow a community of believers who demonstrate Christian love for one another;
- to equip people for works of service both locally and internationally; and
- to engage with the local community through acts of service with a particular emphasis on the poor.

The charitable company receives a certain amount of voluntary help in various areas of church life including administration, children's work, Sunday services, social engagement ministries. It is not possible to quantify the value of this.

ACHIEVEMENTS AND PERFORMANCE FOR PUBLIC BENEFIT

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Emmanuel Church (formerly CCK) was founded over 35 years ago. In this time, we have sought to have a strategy which would serve to the local City, the UK and internationally. This report reflects aspects of each of these 3 components.

1. Sunday services and Multisite

In 2011 Emmanuel embarked on a multi-site strategy to allow for growth across the Brighton and Hove conurbation. The church now meets in four sites at Brighton (New England site), Shoreham, East Brighton (Racecourse site) and Hove running 8 services in 4 venues on every Sunday across the city. It is our intention to continue to develop as a multi-site church through 2018. Sharing the good news of the gospel is core to our life as a church. Through our weekly Sunday meetings, the opportunity was made for hundreds to hear the gospel. Many found new faith and were baptised in water and our membership increased throughout 2017. There continue to be over 40 nations represented in our Sunday congregation. Those whom we are in contact with and continue to visit us on a Sunday, but are not in membership, also continued to grow during 2017.

New England site

The New England site is located at the Clarendon Centre and gathers app. 700 people on Sundays. There are two services at 10.30am and 6.00pm. The morning service provides six kids work options (from parents' room to youth work) as we aim to deliver a great church for kids. There's also a weekly food option including breakfast and lunches for people to enjoy. We baptised 61 people and welcomed 114 people into membership. Both meetings experienced stable attendance on Sunday and in our midweek communities through the year. We are hoping to serve more people with the Good News across Brighton and on the university campuses.

Hove site

The Hove site is located at our Clarendon Villas building and gathers around 200 people on Sundays. We've experienced stable growth in attendance following the restructuring of Sunday services to two morning services. We have a 9am service and an 11am service. During the week The Villas hosts a range of community facing events. Of particular note, a café which opens for five days a week has proven very popular for parents with young children in the community. As a Church site we will look to move our Sunday services times to maximise growth potential. We have also further developed use of the ground floor space at The Villas to increase our community impact and therefore our missional reach as a Church. As a way of prioritising serving the poor in the city we will look to develop our partnership with Friends First Trust's pathways to employment.

CLARENDON TRUST LIMITED

Trustees' Report – continued

Shoreham

The Shoreham Site meets at The Shoreham Centre in the heart of the town and gathers on average 270 people for two morning services. The site is growing steadily with many people also involved in mid-week small groups. In 2017 eight people were baptised and 20 became members. Our annual early summer camp, Westival, which meets in early June, is almost fully booked. Our outreach to the town is spearheaded by the Shoreham Foodbank and Baby Basics projects which are serving local needs.

East Brighton/Racecourse

The East Brighton site currently meets at the Brighton Racecourse gathering on average 200 children and adults. In 2017 there was a focus upon improving the Sunday experience particularly in terms of welcome - looking to make everyone feel at home whether it was there 1st time or the 200th time with us. We also started a new monthly prayer meeting which is well attended and has had a healthy emphasis on praying for the sick and also into the future of the site in terms of leadership and venue, both of which we are in faith for steps forward in 2018.

2. Training, courses and membership care

We continued to provide training through 2 Leadership Training programmes called 222 & 222+ which is held every 6 to 12 weeks and involves over 300 people.

Small group life has been very fruitful in 2017. All our sites run a time-bound small group approach which has led to a significant increase in attendance. Another ministry is New Horizons (over 50s) providing a weekly meeting for about 20 older members and visits to those who are housebound. Marriage preparation continued during 2017. We met with a number of engaged couples who have either started or completed marriage preparation material with church members. We also continued to run the Alpha Course.

We continue to run an in-depth pastoral course called Redemption for church members. We had 64 people on Redemption this year. 606 people in total have completed the course since it started. Pastoral Care further includes referral. This is a time-bound pastoral support programme. The referral team has finished another term of training and we have a growing team. We have more people being supported through referral last year. Overall, pastoral teams are now re-established in all four sites. We have also carried out pastoral training in Berlin and helping support pastoral team develop in Ottawa and Amsterdam.

3. Church planting

Emmanuel is actively involved in church planting. Emmanuel is linked with three church plants and supports them through regular visits and training as well as building strong relationships with the congregations. The church plants are:

Berlin

Emmanuel continued their support of the Mosaik Berlin church plant by seconding an elder and his wife to that church. During 2017 average regular Sunday attendance has increased from approximately 120 to around 140. A number of people have responded to the gospel and we continue to seek to help them grow in their faith. Our Sunday venue is now quite full and we are beginning, during 2018, to search for a larger space. The alternative will be to commence a second service in Autumn 2018. There are ongoing plans to formalise the leadership team, train leaders and develop small group life.

CLARENDON TRUST LIMITED

Trustees' Report – continued

Amsterdam

In 2017 Emmanuel also continued to support the church plant in Amsterdam. They are gathering app. 85 people on a weekly basis in a venue in the heart of Amsterdam.

Ottawa

Since starting in their living room in January 2016, Grace City Church has grown to approximately 150 people, with an average Sunday attendance of 80 to 100 adults. The church now meets in a conference centre in central Ottawa, close to the University of Ottawa. Emmanuel Church Brighton continue to provide support through leadership Investments, financial support, and a great deal of Prayer. In 2017 four people were baptized at Grace City Church, and there have been three baptisms so far in 2018. There are currently eight life groups in the church, with approximately 90 people involved. There is currently a plan to increase life groups to no less than 12, for the fall 2018 term.

4. Youth work

The alignment of the site went a faster pace than expected with all five youth groups quickly buying into a unified vision and mission. The groups and their leaders are working closer together, sharing learning and developing their leadership. There is a shared curriculum and our monthly events have been really successful, and have the full support of the central operations team. We have seen quite a few young people come to faith and be baptised, with a particularly fruitful link to the NE site. The formation of a shared department head role between Katie Virgo, Mike Spence and Stephen Dawson (staff) has broadened our capacity and skill set.

5. Newday

In our third year with oversight of Newday we once again gathered over 7,000 people at the Norfolk Showground. The number of new churches continues to grow with 25 joining us for the first time at this year's event. Overall an incredible week seeing many young people's lives being radically changed and the gospel being preached with over 360 making a commitment to follow Jesus and a significant number of young people testifying to physical healing. The generosity and faithfulness of the young people was once again demonstrated in an offering of over £140K being raised. Newday continues to have a significant impact on young people's lives and there are plans to grow the event in 2018 and beyond.

6. Social Action

This continued to be an important area for us during 2017. The Social Engagement ministries included the following:

Oaks Trust

This subsidiary charity started activity during 2014 and seeks to help those who are poor and disadvantaged for a variety of reasons. At present this includes two projects.

The Foodbank serves the Shoreham-by-Sea area with emergency food parcels, designed to meet a crisis need. Over the last year we have fed over 1,000 people and we have seen an increase in Foodbank use this year. We have been developing the volunteer team and working on our connections with the Referral Agencies. We have been able to introduce having a member of the Christians Against Poverty team at our Foodbank Centre once a month to offer advice and support about debts to clients which has proved to be very helpful.

CLARENDON TRUST LIMITED

Trustees' Report – continued

'Alternatives' is a pregnancy counselling service giving support to people facing an unplanned pregnancy or pregnancy loss. We had seven counsellors working with us in 2017, five of whom are fully trained and two counselling students on placement. All our work is offered in one to one counselling sessions with both individuals and couples. We have one couple trained counsellor and one who is completing the training for couples as this is a sought after service. We get funding for some clients from a charity who fund 6 sessions for individuals or couples. We now pay all our trained counsellors. We launched a new website and produced a short video around miscarriage. We developed and expanded our presence on social media. We recognised the need and put together the framework for a post miscarriage group to be run in 2018. Our first pilot of this will be offered free to past clients. Over the last two years we have increased our client intake by 300%. In 2017 we saw 122 clients.

Friends First Trust

This subsidiary charity provides work experience placements through a set of small enterprises. Following the sale of the Wilbury Road property, Friends First now works with socially minded property investors to enable beneficiaries to access secure and affordable accommodation. The accommodation we have available includes: short stay and emergency accommodation, shared housing and lodgings in the local community. Friends First recruit, screen, and train volunteer mentors and befrienders to come alongside beneficiaries living in their local communities. The charity further works with local employers who open up work experience and paid employment opportunities to those who have actively and positively engaged with the Friends First pathways.

In 2017, 10 people were securely accommodated across two properties and a further two people were lodging with local families connected to Friends First. Regarding work experience 27 successful applicants progressed onto the Employment Pathways, 48% of which secured employment afterwards or accessed work experience or further education. Friends First also linked with 34 employment partners. Through various enterprise activities, Friends First was able to raise £91,000 in income.

In 2017 we again run a night-shelter through the winter months of 2017 to give the homeless a place to sleep one night a week. This was in partnership with other local churches and charities so that the homeless had a place to stay every night of the week.

CLARENDON TRUST LIMITED

Trustees' Report – continued

FINANCIAL REVIEW

The accounts on pages 11 to 25 comply with statutory requirements of the Memorandum and Articles of Association.

The Consolidated Statement of Financial Activities on page 11 shows total net outgoing resources of £259,208 (2016: £175,906 outgoing). 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 £1,004,850 (2016: £1,184,668) on the unrestricted funds at the year end. 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. The results of both subsidiaries - Friends First Trust and Oaks Trust – are consolidated into 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 charity's employees' remuneration including key management personnel is set according to a salary band structure that has been established by the trustees using benchmarks with comparable organisations.

RESERVES POLICY

Clarendon Trust's reserves policy is to maintain a sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The level of reserves is monitored throughout the year and the policy is reviewed annually by the Trustees. The trustees consider that the charity currently needs to maintain free reserves of £180,000. At 31 December 2017, free reserves were £111,299.

The charity has a number of designated and restricted funds, details of which are given in notes 10 and 11 to the financial statements. Any funds which would only be realised by disposing of fixed assets held for charity use are also excluded from the figure for free reserves.

PLANS FOR FUTURE PERIODS

Clarendon Trust Limited's key objectives for the future are to continue the communication of the Christian gospel in a clear and contextually relevant way and to develop the growing work of service to the community and internationally both through the work of the charity as an organisation and through the individual members of it. The Leadership of the Trust have a strategic and financial plan that is shaping major decisions.

The primary aim of this plan is to see continued growth in our Sunday meetings, more effective care of our membership and continued outreach to those in need in our society. We'll continue to focus on leadership development to help run the increasing responsibilities as a growing multi-site church. We're also looking to further support the current church plants overseas in various ways including regular visits, training and financials resources. With regards to properties, we're planning to maintain our existing fixed assets to continue to serve our operations and projects. We want to further build capacity in our social action ministries to serve a greater number of people in the city. Friends First is planning to establish various enterprise services and engage increased numbers of beneficiaries to move into long-term employment.

CLARENDON TRUST LIMITED

Trustees' Report – continued

TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

AUDITORS

All of the current trustees have taken all steps that they ought to have taken to make themselves aware of any information needed by the Trusts' auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant information of which the auditors are unaware.

Chariot House Limited have been appointed as auditors via a resolution at the Annual General Meeting.

In preparing this trustees' report advantage has been taken of the small companies' exemption.

Approved by the trustees on 22.05.18 and signed on their behalf by



Neville Jones (Trustee)

21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF CLARENDON TRUST LIMITED

Opinion

We have audited the financial statements of Clarendon Trust (the 'charitable company') for the year ended 31st December 2017 on pages eleven to twenty-five. 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 auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's and charitable group's affairs as at 31st December 2017 and of its incoming resources and application of resources, including its and the group's 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.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF CLARENDON TRUST LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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.

Responsibilities of trustees

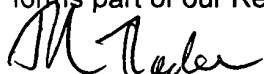
As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.



John Thacker FCA DChA (Senior Statutory Auditor) for and on behalf of Chariot House Limited
Chartered Accountants

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Date: 23 May 2018

CLARENDON TRUST LIMITED

Consolidated Statement of Financial Activities (including income and expenditure account) For the Year Ended 31 December 2017

	Notes	Unrestricted funds	Restricted funds	Total funds 2017	Total funds 2016
INCOME FROM		£	£	£	£
Donations and legacies	2	2,002,308	32,951	2,035,259	1,945,382
Charitable Activities					
Housing and Work Support		-	194,583	194,583	122,548
Conferences and other events		926,657	-	926,657	866,103
Trading activities		218,953	-	218,953	136,744
Investments		3,841	-	3,841	6,291
Other income		-	-	-	-
Total income		<u>3,151,759</u>	<u>227,534</u>	<u>3,379,293</u>	<u>3,077,068</u>
EXPENDITURE ON					
Expenditure on Raising Funds		36,604	-	36,604	34,188
Expenditure on Charitable activities					
Conference costs		717,505	-	717,505	601,124
Café and Bookshop costs		109,792	-	109,792	71,903
Pastoral costs		1,323,852	105,448	1,429,300	1,342,601
Mission support costs		1,049,894	538	1,050,432	978,312
Housing and Work Support		-	294,867	294,867	224,846
Total expenditure	3	<u>3,237,647</u>	<u>400,853</u>	<u>3,638,500</u>	<u>3,252,974</u>
Net income (expenditure)		(85,888)	(173,319)	(259,207)	(175,906)
Transfers between funds	10/ 11	(93,930)	93,930	-	-
Net movement in funds		<u>(179,818)</u>	<u>(79,389)</u>	<u>(259,207)</u>	<u>(175,906)</u>
Fund balances brought forward at 1 January 2017		1,184,668	1,441,298	2,625,966	2,801,872
Fund balances carried forward at 31 December 2017	12	<u><u>1,004,850</u></u>	<u><u>1,361,909</u></u>	<u><u>2,366,759</u></u>	<u><u>2,625,966</u></u>

The Statement of Financial Activities reflects 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 notes on pages 14 to 25 form part of these financial statements.

CLARENDON TRUST LIMITED**Balance Sheets at 31 December 2017**

	Notes	2017 Group £	2016 Group £	2017 Charity £	2016 Charity £
FIXED ASSETS					
Tangible assets	6	1,499,043	1,508,978	1,499,043	1,508,978
CURRENT ASSETS					
Stock	7	3,526	3,526	3,526	3,526
Debtors	8	301,585	193,645	275,136	189,351
Cash at bank and in hand		681,547	1,008,845	624,317	918,938
		<u>986,658</u>	<u>1,206,016</u>	<u>902,979</u>	<u>1,111,815</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(118,942)	(89,028)	(105,794)	(83,550)
NET CURRENT ASSETS		<u>867,716</u>	<u>1,116,988</u>	<u>797,185</u>	<u>1,028,264</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u>2,366,759</u>	<u>2,625,966</u>	<u>2,296,228</u>	<u>2,537,242</u>
FUNDS					
Unrestricted funds					
General funds	10	343,824	370,921	343,824	370,921
Designated funds	10	661,026	813,747	661,026	813,747
Restricted funds	11	<u>1,361,909</u>	<u>1,441,298</u>	<u>1,291,378</u>	<u>1,352,574</u>
TOTAL FUNDS	12	<u>2,366,759</u>	<u>2,625,966</u>	<u>2,296,228</u>	<u>2,537,242</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees, signed on their behalf by and authorised for issue on... 22.05.18



Neville Jones (Trustee)

The notes on pages 14 to 25 form part of these financial statements.

CLARENDON TRUST LIMITED

Consolidated Cash Flow Statement for the year ended 31 December 2017

	2017		2016	
	£	£	£	£
Reconciliation of net movement in funds to net cash flows from operating activities				
Net movement in funds	(259,208)		(175,906)	
Investment income	(3,841)		(6,291)	
Depreciation	110,412		105,615	
Decrease in stock	-		3,071	
Increase in debtors	(107,939)		13,791	
Increase/(decrease) in creditors	29,914		2,292	
Net cash outflow from operating activities		(230,661)		(57,428)
Returns on investments and servicing of finance				
Investment income received	3,841		6,291	
Net cash inflow from returns on investments and servicing of finance		3,841		6,291
Capital expenditure				
Purchase of tangible fixed assets	(100,477)		(71,764)	
Disposal of tangible fixed assets	-		-	
Net cash outflow from capital expenditure		(100,477)		(71,764)
Increase/(decrease) in cash in the year		(327,298)		(122,901)
Reconciliation of net cash flow to movement in net cash funds				
Net funds at beginning of the year		1,008,845		1,131,746
Change in net funds during the year		(327,298)		(122,901)
Net funds at end of the year		681,547		1,008,845

The notes on pages 14 to 25 form part of these financial statements.

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and with the 2015 Statement of Recommended Practice (SORP 2015) 'Accounting and Reporting by Charities', the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

(a) Basis of preparation

Consolidated accounts have been prepared which consolidate the results of Clarendon Trust Limited, Friends First Trust and Oaks Trust on a line by line basis. 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 section 408 of the Companies Act 2006 and paragraph 397 of the SORP 2015.

The gross income of Clarendon Trust Limited itself was £3,164,558 (2016: £2,937,657) and its net outgoing resources were £163,836 (2016: outgoing: £60,438).

(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 when entitled to receipt although most income is received from cash sales recognised at time of sale.

(d) Allocation of expenditure

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 accruals basis. Overhead and Support costs have been allocated to charitable activities. Staff costs are apportioned on the basis of actual time spent.

(e) Fixed assets and depreciation

Freehold property and fixtures, fittings and office equipment are capitalised at their historic cost and stated at cost less depreciation. 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%

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

(f) Leases

Equipment acquired under finance leases is included in fixed assets at an amount representing the capital element of the related rental payments. The interest element is included in expenditure in proportion to the reducing element outstanding. The equipment is depreciated over the shorter of the lease term and the expected useful life of the asset. Costs in respect of the operating leases are charged on a straight line basis over the lease term.

(g) 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.

(h) 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.

(i) Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the period.

(j) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Consolidated Statement of Financial Activities for 2017 was £98,779 (2016: £90,783).

(k) 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.

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

2 VOLUNTARY INCOME

	2017	2016
	£	£
Donations and other funding	2,002,308	1,913,056
Restricted donations and grants	32,951	32,326
	<u>2,035,259</u>	<u>1,945,382</u>

3 TOTAL RESOURCES EXPENDED

	Depreciation	Staff Costs	Other Costs	Total 2017	Total 2016
	£	£	£	£	£
Conference costs	-	5,395	712,110	717,505	601,124
Bookshop costs	-	5,395	104,397	109,792	71,903
Fundraising and publicity	-	32,370	4,234	36,604	34,188
Pastoral costs	93,361	828,937	507,002	1,429,300	1,342,601
Mission Support costs	17,051	301,910	731,471	1,050,432	978,312
Housing and Work Support	-	165,463	129,404	294,867	224,846
	<u>110,412</u>	<u>1,339,470</u>	<u>2,188,618</u>	<u>3,638,500</u>	<u>3,252,974</u>

The following grants were made in 2017:

- Grace City Church Ottawa: £36,500
- Care for Children: £50,000
- Mosaic Church Leeds: £15,000
- Commission Mission: £15,000
- Christ Central Churches: £15,000
- New Ground Churches: £15,000
- Relational Mission: £15,000
- MosaikKirche Berlin: £15,000
- Liberty Church Amsterdam: £21,513
- Catalyst Network of Churches: £10,000

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

4 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:

	Salary		Pension	
J P Foreman	£44,875	(2016 – £44,431)	£3,141	(2016 – £3,110)
S J Horne	£48,957	(2016 – £46,424)	£4,689	(2016 – £4,642)
N Jones	£46,888	(2016 – £46,424)	£5,627	(2016 – £5,571)

All Pension contributions were paid under a defined contribution scheme.

In addition, remuneration was paid to three related parties amounting to £49,155 (2016: £47,621) as permitted by the constitution.

The related parties are:

- Joanne Fahy (employee, received salary, married to T Fahy)
- Jacqui Jarvis (contracted services for counselling work, married to P Jarvis)
- Alexis Foreman (contracted services for graphic design work, married to J Foreman)

There were no reimbursed expenses paid to trustees (2017: nil).

5 STAFF COSTS

Group	2017 £	2016 £
Gross salaries	1,134,411	1,062,629
Social security costs	106,280	100,879
Pension costs	98,779	90,783
	<u>1,339,470</u>	<u>1,254,291</u>

Total paid to key management personnel was £327,886 (2016: £289,215).

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

	2017 Number	2016 Number
Pastoral and Mission Support	22	21
Café and Bookshop	1	1
Housing and Work Support	6	5
Support and administration	11	12
	<u>40</u>	<u>39</u>

No employees had emoluments in excess of £60,000: nil (2016: nil).

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

6 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and office equipment £	Total £
COST			
Parent Company			
At 1 January 2017	2,617,637	1,042,020	3,659,657
Additions	-	100,477	100,477
At 31 December 2017	<u>2,617,637</u>	<u>1,142,497</u>	<u>3,760,134</u>
Subsidiary at 1 January 2017	-	-	-
Additions	-	-	-
Subsidiary at 31 December 2017	-	-	-
Group at 31 December 2017	<u>2,617,637</u>	<u>1,142,497</u>	<u>3,760,134</u>
ACCUMULATED DEPRECIATION			
Parent Company			
At 1 January 2017	1,308,912	841,767	2,150,679
Charge for the year	42,207	68,205	110,412
Disposals	-	-	-
At 31 December 2017	<u>1,351,119</u>	<u>909,972</u>	<u>2,261,091</u>
Subsidiary			
At 1 January 2017	-	-	-
Charge for the year	-	-	-
At 31 December 2017	-	-	-
Group at 31 December 2017	<u>1,351,119</u>	<u>909,972</u>	<u>2,261,091</u>
NET BOOK VALUES			
Parent Company at 31 December 2017	<u>1,266,518</u>	<u>232,525</u>	<u>1,449,043</u>
Subsidiary at 31 December 2017	-	-	-
Group at 31 December 2017	<u>1,266,518</u>	<u>232,525</u>	<u>1,449,043</u>
At 31 December 2016	<u>1,308,725</u>	<u>200,253</u>	<u>1,508,978</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

7 STOCK

Group and parent company	2017 £	2016 £
Goods for resale	3,526	3,526

8 DEBTORS

	2017 Group £	2016 Group £	2017 Charity £	2016 Charity £
DUE WITHIN ONE YEAR				
Other debtors	137,848	10,145	137,848	10,145
Prepayments and accrued income	163,737	183,500	137,289	179,206
	<u>301,585</u>	<u>193,645</u>	<u>275,136</u>	<u>189,351</u>

9 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 Group £	2016 Group £	2017 Charity £	2016 Charity £
Taxation and social security	5,207	5,581	5,207	5,581
Accruals and deferred income	113,735	83,447	100,587	77,969
	<u>118,942</u>	<u>89,028</u>	<u>105,794</u>	<u>83,550</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

10 UNRESTRICTED FUNDS

Group and Charity	Balance at	Movement in resources			Balance at
	1 January	Incoming	Outgoing	Transfers	31 December
	2017				2017
	£	£	£	£	£
Designated fund					
Gift Day fund	153,746	332,271	(12,577)	(309,866)	163,574
Berlin fund	9,053	26,212	(73,328)	38,865	802
Maintenance fund	42,030	-	(42,030)	-	-
Urban Impact Fund	128,596	602	(17,342)	(42,178)	69,678
Emmanuel Youth Fund	2,595	1,802	(3,697)	-	700
Technical fund	4,800	-	(4,800)	-	-
Intern fund	7,008	5,400	(14,648)	10,200	7,960
Alternatives fund	-	-	-	-	-
Contingency fund	347,946	27,368	(44,836)	(29,124)	301,354
Pastoral needs fund	11,792	508	(4,589)	-	7,711
Conferences	4,229	-	(4,229)	-	-
Amsterdam fund	3,323	-	(22,177)	18,854	-
Newday offering fund	25,000	143,128	(148,042)	-	20,086
Krakow fund	2,450	-	(274)	9,000	11,176
New England site fund	14,629	57,286	(33,138)	(16,250)	22,527
Shoreham site fund	10,334	22,793	(3,772)	(18,278)	11,076
East site fund	24,177	17,943	(13,109)	(6,000)	23,011
Hove site fund	22,039	26,176	(39,278)	12,434	21,371
General fund	370,921	2,490,270	(2,755,780)	238,413	343,824
	<u>1,184,668</u>	<u>3,151,759</u>	<u>(3,237,646)</u>	<u>(93,930)</u>	<u>1,004,850</u>

Group and Charity	Balance at	Movement in resources			Balance at
	1 January	Incoming	Outgoing	Transfers	31 December
	2016				2016
	£	£	£	£	£
Designated fund					
Gift Day fund	109,915	460,586	(9,163)	(407,593)	153,746
Berlin fund	5,697	20,570	(77,214)	60,000	9,053
Maintenance fund	70,480	-	(36,450)	8,000	42,030
Urban Impact Fund	131,521	-	(9,424)	6,500	128,596
Emmanuel Youth Fund	-	-	-	2,595	2,595
Technical fund	-	-	-	4,800	4,800
Intern fund	11,738	-	(19,255)	14,525	7,008
Alternatives fund	12,000	-	-	(12,000)	-
Contingency fund	374,633	-	(33,840)	7,153	347,946
Pastoral needs fund	4,917	200	(4,324)	11,000	11,792
Conferences	3,112	90	(7,261)	8,288	4,229
Amsterdam fund	782	-	(15,634)	18,175	3,323
Newday offering fund	652	111,279	(81,430)	(5,501)	25,000
Krakow fund	-	-	-	2,450	2,450
New England site fund	17,958	-	(24,790)	21,460	14,629
Shoreham site fund	2,649	-	(11,557)	19,241	10,334
East site fund	27,506	2,000	(9,217)	3,888	24,177
Hove site fund	8,102	725	(17,328)	30,540	22,039
General fund	432,586	2,326,744	(2,495,218)	106,809	370,921
	<u>1,214,250</u>	<u>2,922,194</u>	<u>(2,852,105)</u>	<u>(99,671)</u>	<u>1,184,668</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

The **Gift Day fund** is the balance of monies raised through three Gift Days during the year and allocated but not yet spent. The Gift Days relate to 'Serving the City', 'Multisite' and 'Church Planting'. The raised funds are then transferred to various designated and restricted funds in line with the relevant Gift Day appeal.

The **Berlin fund (formerly church planting fund)** has been established to for Emmanuel's work in supporting church planting in Berlin.

The **Maintenance Fund** has been established for the continuing investment into Emmanuel's fixed assets and financed through the sale of the Wilbury Road property.

The **Urban Impact Fund** represents funds relating to various social engagement projects and ministries.

The **Emmanuel Youth Fund** has been established to provide assistance to special related projects.

The **Technical Fund** had been established for the continuing investment into Emmanuel's production equipment.

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

The **Alternatives fund** represents Emmanuel's contribution to the pregnancy advisory service within the Oaks Trust. In 2017 £11k was transferred to the subsidiary.

The **Contingency fund** was set aside from the surpluses of Gift Day funds to meet the costs of any items that fit into the aims of gift days but which arose on a more ad hoc basis. The gain on disposal of the Wilbury Road property sale in 2015 went into this fund too.

The **Pastoral needs fund (formerly Recession emergency fund)** was established to assist people in financial difficulty in the current economic downturn.

The **Conferences Fund** represents monies designated for either attending overseas or organising in-house conferences.

The **Amsterdam fund** represents donations for supporting a specific church plant.

The **Newday offering fund** represents donations taken up at the annual Newday youth event and are designated for various mission projects mainly overseas.

The **Krakow fund** represents donations for supporting a specific church plant.

The **New England Site fund** represents donations raised at the Summer Gift Day specifically for projects relating to the site.

The **Shoreham site fund** represents donations raised at the Summer Gift Day specifically for projects relating to the site.

The **East site fund** represents donations raised at the Summer Gift Day specifically for projects relating to the site.

The **Hove site fund** represents donations raised at the Summer Gift Day specifically for projects relating to the site.

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

11 RESTRICTED FUNDS

Group	Balance at 1 January 2017 £	Movement in resources			Balance at 31 December 2017 £
		Incoming £	Outgoing £	Transfers £	
Building fund	1,308,725	-	(42,207)	-	1,266,518
FF Support Fund	17,429	-	-	(11,000)	6,429
Oasis En Gedi	345	193	(538)	-	-
BSL Course	1,303	-	(180)	-	1,123
Ottawa fund	24,772	12,636	(36,851)	16,751	17,308
Charity sub total	1,352,574	12,829	(79,776)	5,751	1,291,378
Oaks Trust	23,521	20,122	(26,210)	2,679	20,112
Friends First	65,203	194,583	(294,867)	85,500	50,419
	1,441,298	227,534	(400,853)	93,930	1,361,909

Group	Balance at 1 January 2016 £	Movement in resources			Balance at 31 December 2016 £
		Incoming £	Outgoing £	Transfers £	
Building fund	1,354,080	-	(47,026)	1,671	1,308,725
FF Support Fund	50,429	-	-	(33,000)	17,429
Oasis En Gedi	958	-	(613)	-	345
Charities Concert	2,088	-	(2,088)	-	-
BSL Course	493	810	-	-	1,303
Embracing the Poor	5,856	2,796	(8,652)	-	-
Ottawa fund	34,526	11,857	(37,612)	16,000	24,772
Newday fund	50,000	-	(50,000)	-	-
Charity sub total	1,498,430	15,463	(145,990)	(15,329)	1,352,574
Oaks Trust	24,691	16,862	(30,032)	12,000	23,521
Friends First	64,501	122,548	(224,846)	103,000	65,203
	1,587,622	154,873	(400,868)	99,671	1,441,298

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

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

The **FF Support Fund (formerly known as Supported Housing Unit fund)** is represented by the part of the proceeds of the sale for the property of 60 Wilbury Road.

Oasis En Gedi is a fund which support individuals working overseas as missionaries.

The **BSL course** represents contributions and donations relating to the Emmanuel deaf ministry.

The **Ottawa fund** donations for supporting a specific church plant.

Oaks Trust is a subsidiary charity focusing on social engagement. This charity includes the Alternatives crisis pregnancy service and the Shoreham Foodbank.

Friends First is a subsidiary charity focusing on housing support and work training for the socially marginalised and homeless.

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,266,518	-	-	1,266,518
FF Support Fund	-	6,429	-	6,429
BSL Course	-	1,123	-	1,123
Ottawa fund	-	17,308	-	17,308
	<u>1,266,518</u>	<u>24,860</u>	<u>-</u>	<u>1,291,378</u>
Charity sub total	1,266,518	24,860	-	1,291,378
Subsidiaries				
Oaks Trust	-	20,112	-	20,112
Friends First	-	50,419	-	50,419
	<u>-</u>	<u>70,531</u>	<u>-</u>	<u>70,531</u>
Unrestricted funds				
General funds	232,525	111,299	-	343,824
Designated funds	-	661,026	-	661,026
	<u>232,525</u>	<u>772,325</u>	<u>-</u>	<u>1,004,850</u>
	<u>1,499,043</u>	<u>867,716</u>	<u>-</u>	<u>2,366,759</u>

13 COMMITMENT

At 31 December 2017, the group was committed to making the following payment under a non-cancellable operating lease in the year to 31 December 2017:

	2017 £	2016 £
Total future minimum lease commitment	<u>£24,006</u>	<u>£35,879</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

14 SUBSIDIARIES

During 2003, the activities of the Housing and Work Support were taken over by Friends First, a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 December 2017 were £50,419 (2016: £65,502). During the year ended 31 December 2017, Friends First generated incoming resources of £194,583, received £85,500 in transfers from Clarendon Trust and expended resources of £294,867.

During 2014, the activities of Alternatives and the Foodbank were transferred to Oaks Trust, a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 December 2017 were £20,112 (2016: £23,521). During the year ended 31 December 2017, Oaks Trust generated incoming resources of £20,122, received £15,000 in transfers from Clarendon Trust and expended resources of £38,532, of which £12,321 was transferred to Clarendon Trust to reimburse for expenditure incurred.

15 RELATED PARTY TRANSACTIONS

The charity has taken advantage of the exemption conferred by Financial Reporting Standard No. 8 "Related Party Transactions" not to disclose transactions with undertakings in which 100% or more of the voting rights are controlled by Clarendon Trust Limited. These undertakings results have been included within the consolidated financial statements of Clarendon Trust Limited. Details of other related party transactions are included in note 4.