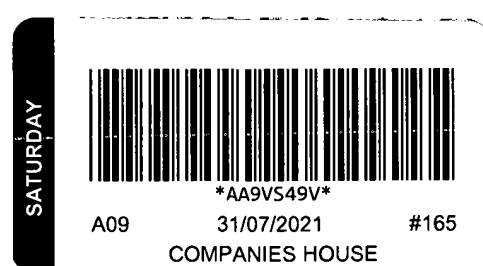


Company number 3546759

Charity number 1069942

Clarendon Trust Limited
Report and Financial Statements
Year ended 31 December 2020



CLARENDON TRUST LIMITED

Financial Statements - 31 December 2020

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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:

S Horne
P Jarvis
N Jones
H Evans
J Foreman
I Bailey (resigned on 26th January 2021)
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

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

The trustees present their report and the financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with current statutory requirements the Financial Reporting Standard applicable in the U.K. and Republic of Ireland (FRS102) (effective from 1 January 2019), the Memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2019.

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.

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 cash flow 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

The trustees have had regard to the Charity Commission guidance on public benefit, and paid due regard to it in deciding what activities the charity should undertake. The trustees are satisfied that the ongoing activities which they are involved in means that the charity is continuing to meet the public benefit requirement. The main objectives of the charity 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 was founded over 40 years ago. In this time, we have sought to serve 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 model to allow for growth across the Brighton and Hove conurbation. The church at the beginning of 2020 was meeting in four locations in Brighton, Shoreham, Hove and Hangleton running services on every Sunday across the city. In March 2020 the growing effects of the global pandemic (COVID-19) necessitated the church to close its physical doors and open up exclusively on a digital platform. Either side of national lockdowns the church was able to hold COVID-19 secure in-person 'watch parties' and was able to evolve with the various Government guidelines. Helping people find their way back to God continued to be core to our life as a church. Through our weekly Sunday meetings online or in person, the opportunity was made for hundreds to hear the gospel. Many found new faith. There continue to be many nations represented by our congregation. Those whom we are in contact with and continue to visit us on a Sunday, but are not in membership, continued to grow in 2020.

2. Training, courses and membership care

We continued to provide training through leadership training programmes for both men and women each term and involved hundreds of people. Small group life has been very fruitful in 2020 mostly online. We also continued to run the Alpha Course online and saw many hear the gospel and make a commitment. Our youth work continued to flourish with the regular provision of online weekly and monthly events. Pastoral care through 2020 was very much prioritised and active across multiple pastoral teams in all sites.

3. Church planting

Emmanuel is actively partnering with a number of churches and church plants in Berlin, Amsterdam, Ottawa, London & Krakow. In 2020 we sent 2 families (one to Belfast to establish a church plant and one to Bath to start a church plant). Emmanuel is linked with these churches and church plants and supports them through regular visits and training as well as building strong relationships with the congregations.

CLARENDON TRUST LIMITED

Trustees' Report – continued

4. Newday

In our sixth year with oversight of Newday it was decided in March 2020 to cancel the 2020 and subsequently also the 2021 events due to the effects and restrictions of the global pandemic. The financial impact of the 2020 event cancellation was mitigated throughout the year by renegotiated contracts, generous gifts from churches and individual people. The Newday team organised and ran an online event in the summer with worship and teaching sessions. Conversations and emphasis on the future of Newday becoming an independent charity continue.

5. Social Action

This continued to be an important area for us during 2020. 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. The charity oversees the activities of the Shoreham Foodbank.

In response to the COVID-19 crisis the Shoreham Foodbank has seen a much greater demand for its services and they have grown and developed the volunteer team significantly through a range of training opportunities to provide a better service to those in need. In the midst of the current crisis, the Foodbank has received significantly more donations from the public. They continued to develop healthy relationships with the local COVID-19 Mutual Aid groups. The foodbank expanded and adapted their operations to comply with social distancing rules and also helped the Fishersgate Foodbank start-up with supplies of food and finance.

Friends First Trust

This subsidiary charity provides support to adult men and women with a background in homelessness and/or long-term unemployment to gain work experience and link them with opportunities to increase their employability and access to paid employment. The charity works in partnership with local employers who open up work experience and paid employment opportunities to its beneficiaries. Friends First works with socially minded property investors to enable beneficiaries to access secure and affordable accommodation. Friends First recruit, screen, and train volunteer mentors and befrienders to come alongside beneficiaries living in their local communities. Friends First also provides intensive paid-person support for beneficiaries to assist them in gaining momentum and achieving independent living. The charity also has access to counselling referral and regularly work alongside and signpost to other like-minded agencies in the city.

From November 2019, Friends First have actively been involved in the leading and running of the Brighton Churches Night Shelter. In response to the COVID-19 pandemic social distancing rules Friends First moved guests into a new venue and have been able to deliver food packages and hot meals. The Friends First team developed a day-time programme including a mentoring facility. Friends First were also involved with Keys Detox - a detox programme to help people escape from alcohol and drug addiction through integrated medical, spiritual and community support. In light of COVID-19, much support was moved online.

CLARENDON TRUST LIMITED

Trustees' Report – continued

FINANCIAL REVIEW

The accounts on pages 11 to 26 comply with statutory requirements of the Memorandum and Articles of Association.

The Consolidated Statement of Financial Activities on page 11 shows total net incoming resources of £300,131 (2019: £290,624 incoming). 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 £1,440,087 (2019: £1,156,878) 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 and the trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

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 three months unrestricted expenditure. At 31 December 2020, free reserves were £204,625.

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.

CLARENDON TRUST LIMITED

Trustees' Report – continued

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. Each year 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 online and in-person 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 financial 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.

The most significant external risk currently faced by the charity post year end is the risk of the Coronavirus Outbreak impacting the health of the staff team and the charity's ability to fulfil its charitable objectives. The pandemic has required significant changes to our working arrangements with a much greater reliance on the live streaming of our activities. Much effort has gone into our online Sunday service and kids work provision. Home-working and the use of technology enabled much of our work, small group life and pastoral support to continue during the lockdown. Core funding from our members has remained and is expected to remain constant as past experience tells us that the church members respond very positively when others are in need. The effect of our buildings mostly being closed to the public since March 2020 meant that income from trading significantly reduced significantly and budgets for the current year have been reduced accordingly. We made continued adjustments to our outgoings by working to a budget that continued to see us meeting the objectives of the charity and to break even whilst also ensuring our free-cash reserves continue to be in a position of strength.

CLARENDON TRUST LIMITED

Trustees' Report – continued

TRUSTEES RESPONSIBILITIES

The trustees (who are also directors of Clarendon Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year and 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;
- observe the methods and principles of the Charities SORP;
- 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 on that basis.

The trustees are responsible for keeping proper accounting records that 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 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.

STATEMENT OF DISCLOSURE TO AUDITOR

The trustees who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITORS

Chariot House Limited have been appointed as auditors via a resolution at the Annual General Meeting. This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the trustees on 20th July 2021 and signed on their behalf by
Neville Jones (Chair of trustees)

21-23 Clarendon Villas, Hove
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') (the 'parent company') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's and of the parent company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report 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 group and the parent company, and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which 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 trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 group's and parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the group and parent company and the industry in which it operates, and considered the risk of acts by the group and parent company that were contrary to applicable laws and regulations, including fraud.

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

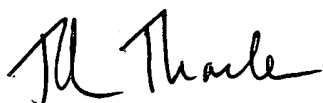
We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Charities Act 2011, and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of management bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.



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: 20th July 2021

CLARENDON TRUST LIMITED

Consolidated Statement of Financial Activities (including income and expenditure account) For the Year Ended 31 December 2020

	Notes	Unrestricted funds	Restricted funds	Total funds 2020	Total funds 2019
INCOME FROM		£	£	£	£
Donations and legacies	2	2,167,544	79,010	2,246,554	2,291,931
Charitable Activities					
Housing and Work Support		-	36,360	36,360	103,782
Conferences and other events		54,038	-	54,038	967,845
Trading activities		1,645	-	1,645	218,028
Investments		626	-	626	4,347
Other		72,452	-	72,452	-
Trading Subsidiary		195,683	-	195,683	59,546
Total income		<u>2,491,988</u>	<u>115,370</u>	<u>2,607,358</u>	<u>3,645,479</u>
EXPENDITURE ON					
Raising Funds		12,294	-	12,294	38,732
Trading Subsidiary		224,140	-	224,140	101,123
Charitable activities					
Conference costs		72,787	-	72,787	625,784
Café and Bookshop costs		6,119	-	6,119	133,623
Pastoral costs		1,130,696	64,130	1,194,826	1,449,063
Mission support costs		677,869	-	677,867	802,583
Housing and Work Support		-	119,193	119,193	203,947
Total expenditure	3	<u>2,123,904</u>	<u>183,323</u>	<u>2,307,227</u>	<u>3,354,855</u>
Net income (expenditure)		368,084	(67,953)	300,131	290,624
Transfers between funds	10/ 11	(84,875)	84,875	-	-
Net movement in funds		<u>283,209</u>	<u>16,922</u>	<u>300,131</u>	<u>290,624</u>
Fund balances brought forward at 1 January 2020		<u>1,156,878</u>	<u>1,232,153</u>	<u>2,389,031</u>	<u>2,098,407</u>
Fund balances carried forward at 31 December 2020	12	<u><u>1,440,087</u></u>	<u><u>1,249,075</u></u>	<u><u>2,689,162</u></u>	<u><u>2,389,031</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 26 form part of these financial statements.

CLARENDON TRUST LIMITED

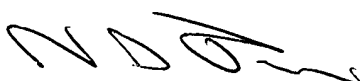
Balance Sheets at 31 December 2020

	Notes	2020 Group £	2019 Group £	2020 Charity £	2019 Charity £
FIXED ASSETS					
Tangible assets	6	1,815,705	1,438,429	1,815,705	1,438,429
CURRENT ASSETS					
Stock	7	-	2,526	-	2,526
Debtors	8	104,188	113,611	145,874	159,153
Cash at bank and in hand		928,562	898,943	827,401	849,241
		<u>1,032,750</u>	<u>1,015,080</u>	<u>973,275</u>	<u>1,010,920</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	9	<u>(159,293)</u>	<u>(64,478)</u>	<u>(128,768)</u>	<u>(52,407)</u>
NET CURRENT ASSETS		<u>873,457</u>	<u>950,602</u>	<u>844,507</u>	<u>958,513</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u><u>2,689,162</u></u>	<u><u>2,389,031</u></u>	<u><u>2,660,212</u></u>	<u><u>2,396,942</u></u>
FUNDS					
Unrestricted funds					
General funds	10	395,334	322,024	465,368	363,602
Designated funds	10	1,044,753	834,854	1,044,753	834,854
Restricted funds	11	<u>1,249,075</u>	<u>1,232,153</u>	<u>1,150,091</u>	<u>1,198,486</u>
TOTAL FUNDS	12	<u><u>2,689,162</u></u>	<u><u>2,389,031</u></u>	<u><u>2,660,212</u></u>	<u><u>2,396,942</u></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 20th July 2021

Neville Jones (Chair of trustees)



The notes on pages 14 to 26 form part of these financial statements.

CLARENDON TRUST LIMITED

Consolidated Cash Flow Statement for the year ended 31 December 2020

	2020		2019	
Reconciliation of net movement in funds to net cash flows from operating activities	£	£	£	£
Net movement in funds	300,131		290,624	
Investment income	(626)		(4,347)	
Depreciation	117,724		118,452	
Decrease in stock	2,526		-	
Decrease in debtors	9,423		66,221	
Increase/(decrease) in creditors	94,815		(65,745)	
Net cash inflow (outflow) from operating activities		523,993		405,205
Returns on investments and servicing of finance				
Investment income received	626		4,347	
Net cash inflow from returns on investments and servicing of finance		626		4,347
Capital expenditure				
Purchase of tangible fixed assets	(495,000)		(86,061)	
Disposal of tangible fixed assets	-		-	
Net cash outflow from capital expenditure		(495,000)		(86,061)
Increase/(decrease) in cash in the year		29,619		323,491
Reconciliation of net cash flow to movement in net cash funds				
Net funds at beginning of the year		898,943		575,452
Change in net funds during the year		29,619		323,491
Net funds at end of the year		928,562		898,943

The notes on pages 14 to 26 form part of these financial statements.

1 ACCOUNTING POLICIES

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

(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.

The gross income of Clarendon Trust Limited itself was £2,297,290 (2019: £3,456,126) and its net incoming resources were £348,145 (2019: incoming: £422,929).

(b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees consider that the Covid19 pandemic will not have a significant impact on the charity's core funding from its members as past experience has shown this has remains fairly constant regardless of financial conditions. Income from trading activities is expected to reduce due to the lockdown conditions and steps are being taken to make cost savings. The trustees regard any impact to be short term rather than affecting the charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

(c) Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met. The amounts can be measured reliably, and it is probable that income will be received.

(d) Donations

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

(e) Bookshop

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

(f) Resources expended

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. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Overhead and Support costs have been allocated to charitable activities. Staff costs are apportioned on the basis of actual time spent.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

(g) 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%

(h) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost.

(i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(j) Leases

Equipment acquired under finance leases are capitalised in the balance sheet at an amount representing the capital element of the related rental payments. The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability. The equipment is depreciated over the shorter of the lease term and its expected useful life of the asset.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

(k) 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.

(l) 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. Net realisable value is calculated on the basis of estimated selling price less all expected costs to be incurred in selling.

(m) 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.

(n) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Consolidated Statement of Financial Activities for 2019 was £94,004 (2019: £95,191).

(o) 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 2020

2 VOLUNTARY INCOME

	2020	2019
	£	£
Donations and other funding	2,167,544	2,259,203
Restricted donations and grants	79,010	32,728
	<u>2,246,554</u>	<u>2,291,931</u>

3 TOTAL RESOURCES EXPENDED

	Depreciation	Staff Costs	Other Costs	Total 2020	Total 2019
	£	£	£	£	£
Conference costs	-	32,425	40,362	72,787	625,784
Café and Bookshop costs	-	-	6,119	6,119	133,623
Fundraising and publicity	-	10,808	1,486	12,294	38,732
Pastoral costs	101,320	756,582	336,924	1,194,826	1,449,063
Mission Support costs	16,404	311,095	350,370	677,869	802,583
Housing and Work Support	-	54,333	64,860	119,193	203,947
Trading Subsidiary Expenditure	-	190,034	31,106	224,140	101,123
	<u>117,724</u>	<u>1,358,277</u>	<u>831,226</u>	<u>2,307,227</u>	<u>3,354,855</u>

The amounts paid to auditors comprised:

	2020	2019
	£	£
Audit fees	10,230	7,440
Other services	4,001	3,390
	<u>14,231</u>	<u>10,830</u>

The following grants were made in 2020:

- Catalyst Network of Churches: £42,201
- Grace City Church Ottawa: £6,000
- Janusz Lasz (Krakow Church plant): £25,500
- Christ Central Churches (North Vancouver church plant): £4,625
- Relational Mission (Malmo church plant): £4,625
- Relational Mission (Tottenham church plant): £4,625
- New Ground Churches (Paris church plant) £4,625
- Commission Together (Ahmedad church plant): £4,625
- Commission Together (Chennai church plant): £4,625

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

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	
K Ball	£6,667	(2019 – £6,568)	£467	(2019 – £460)
S J Horne	£49,721	(2019 – £48,543)	£5,338	(2019 – £4,854)
N Jones	£49,721	(2019 – £50,506)	£7,391	(2019 – £5,947)

All Pension contributions were paid under a defined contribution scheme.

In addition, remuneration was paid to one related party amounting to £10,319 (2019: £12,320) as permitted by the constitution.

The related parties are:

- Jacqui Jarvis (contracted services for counselling work, married to P Jarvis)

There were no reimbursed expenses paid to trustees (2019: nil).

5 STAFF COSTS

Group	2020 £	2019 £
Gross salaries	1,159,036	1,186,079
Social security costs	105,237	105,222
Pension costs	94,004	95,191
	<u>1,358,277</u>	<u>1,386,492</u>

Total paid to key management personnel was £299,187 (2019: £346,944).

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

	2020 Number	2019 Number
Pastoral and Mission Support	19	20
Cafés/Bookshop/Lettings	9	6
Housing and Work Support	2	4
Support and administration	6	6
	<u>36</u>	<u>36</u>

No employees had emoluments in excess of £60,000: nil (2019: nil).

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

6 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and office equipment £	Total £
COST			
Parent Company			
At 1 January 2020	2,617,637	1,316,252	3,933,889
Additions	495,000	-	495,000
At 31 December 2020	<u>3,112,637</u>	<u>1,316,252</u>	<u>4,428,889</u>
Subsidiary at 1 January 2020	-	-	-
Additions	-	-	-
Subsidiary at 31 December 2020	-	-	-
Group at 31 December 2020	<u>3,112,637</u>	<u>1,316,252</u>	<u>4,428,889</u>
ACCUMULATED DEPRECIATION			
Parent Company			
At 1 January 2019	1,435,533	1,059,927	2,495,460
Charge for the year	52,107	65,617	117,724
Disposals	-	-	-
At 31 December 2020	<u>1,487,640</u>	<u>1,125,544</u>	<u>2,613,184</u>
Subsidiary			
At 1 January 2020	-	-	-
Charge for the year	-	-	-
At 31 December 2020	-	-	-
Group at 31 December 2020	<u>1,487,640</u>	<u>1,125,544</u>	<u>2,613,184</u>
NET BOOK VALUES			
Parent Company at 31 December 2020	<u>1,624,997</u>	<u>190,708</u>	<u>1,815,705</u>
Subsidiary at 31 December 2020	-	-	-
Group at 31 December 2020	<u>1,624,997</u>	<u>190,708</u>	<u>1,815,705</u>
At 31 December 2019	<u>1,182,104</u>	<u>256,325</u>	<u>1,438,429</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

7 STOCK

Group and parent company	2020 £	2019 £
Goods for resale	-	2,526

8 DEBTORS

	2020 Group £	2019 Group £	2020 Charity £	2019 Charity £
DUE WITHIN ONE YEAR				
Other debtors	29,664	17,202	76,486	63,110
Prepayments and accrued income	74,524	96,409	69,389	96,043
	<u>104,188</u>	<u>113,611</u>	<u>145,874</u>	<u>159,153</u>

9 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 Group £	2019 Group £	2020 Charity £	2019 Charity £
Taxation and social security	(1,856)	2,364	(4,065)	2,364
Accruals and deferred income	161,149	62,114	132,883	50,043
	<u>159,293</u>	<u>64,478</u>	<u>128,768</u>	<u>52,407</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

10 UNRESTRICTED FUNDS

Group and Charity	Balance at	Movement in resources			Balance at
	1 January	Incoming	Outgoing	Transfers	31 December
	2020				2020
	£	£	£	£	£
Designated fund					
Gift Day fund	468,809	302,703	(47,851)	(596,102)	127,558
Maintenance fund	-	30,228	(56,815)	31,000	4,413
Berlin fund	3,478	-	(11,750)	8,500	228
Urban Impact fund	17,867	10,000	(1,701)	1,260	27,427
Emmanuel Youth fund	1,542	-	-	-	1,542
Intern fund	8,940	10,501	(5,031)	-	14,410
Covid Care Fund	-	6,181	(1,250)	42,201	47,131
Alternatives fund	800	1,432	(4,337)	3,500	1,394
Contingency fund	195,677	152,841	(21,375)	(133,234)	193,909
Pastoral Needs fund	1,341	-	(811)	-	529
Newday Offering fund	87,274	21,260	(27,750)	(4,625)	76,159
Krakow fund	25,295	4,803	(27,226)	14,000	16,872
Belfast fund	4,352	15,089	(32,663)	31,625	18,404
Bath fund	-	6,500	(162)	10,000	16,338
New England Site fund	55	700	(755)	-	-
Shoreham Site fund	4,137	-	-	-	4,137
East Site fund	15,287	450	(6,537)	-	9,201
Oasis Building fund	-	-	(9,900)	495,000	485,100
General fund	322,024	1,929,300	(1,867,991)	12,000	395,334
	<u>1,156,878</u>	<u>2,491,988</u>	<u>(2,123,904)</u>	<u>(84,875)</u>	<u>1,440,087</u>

Group and Charity	Balance at	Movement in resources			Balance at
	1 January	Incoming	Outgoing	Transfers	31 December
	2019				2019
	£	£	£	£	£
Designated fund					
Gift Day fund	79,336	585,973	(14,500)	(182,000)	468,809
Maintenance fund	-	17,366	-	(17,366)	-
Berlin fund	-	-	(13,522)	17,000	3,478
Urban Impact fund	23,374	1,604	(9,849)	2,738	17,867
Emmanuel Youth fund	1,697	400	(555)	-	1,542
Intern fund	9,438	13,996	(14,494)	-	8,940
Alternatives fund	11,000	-	(1,200)	(9,000)	800
Contingency fund	305,823	2,989	(59,463)	(53,672)	195,677
Pastoral Needs fund	2,965	1,498	(3,122)	-	1,341
Newday Offering fund	1,742	86,352	(820)	-	87,274
Krakow fund	5,753	16,253	(27,711)	31,000	25,295
Belfast fund	-	300	(5,948)	10,000	4,352
New England Site fund	3,045	-	(2,990)	-	55
Shoreham Site fund	4,137	-	-	-	4,137
East Site fund	16,065	-	(778)	-	15,287
General fund	315,721	2,782,237	(2,888,972)	113,038	322,024
	<u>780,096</u>	<u>3,508,969</u>	<u>(3,043,924)</u>	<u>(88,262)</u>	<u>1,156,878</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

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

The **Maintenance fund** has been established for the continuing investment into Emmanuel's fixed assets.

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

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

The **Covid Care fund** has been established in response to the global pandemic to provide assistance to people in need and support related projects.

The **Alternatives fund** represents Emmanuel's contribution to the pregnancy advisory service Harbour Counselling.

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

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 **Belfast fund** represents donations for supporting a specific church plant.

The **Bath 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 **Oasis Building fund** is represented by the building of the Oasis.

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

11 RESTRICTED FUNDS

Group	Balance at	Movement in resources			Balance at
	1 January 2020 £	Incoming £	Outgoing £	Transfers £	31 December 2020 £
Building fund	1,182,104	-	(42,207)	-	1,139,897
BSL course	373	-	(360)	-	13
Ottawa fund	16,010	985	(6,813)	-	16,010
Charity sub total	1,198,486	985	(49,380)	-	1,150,091
Oaks Trust	7,202	78,025	(14,750)	(260)	70,217
Friends First	26,464	36,360	(119,193)	85,135	28,767
	1,232,153	115,370	(183,323)	84,875	1,249,075

Group	Balance at	Movement in resources			Balance at
	1 January 2019 £	Incoming £	Outgoing £	Transfers £	31 December 2019 £
Building fund	1,224,311	-	(42,207)	-	1,182,104
BSL course	763	-	(390)	-	373
Ottawa fund	27,106	6,704	(27,800)	10,000	16,010
Charity sub total	1,252,180	6,704	(70,397)	10,000	1,198,486
Oaks Trust	11,502	26,024	(36,586)	6,262	7,202
Friends First	54,629	103,782	(203,947)	72,000	26,464
	1,318,311	136,510	(310,930)	88,262	1,232,153

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

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

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 which currently covers the activities of 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 2020

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,139,897	-	-	1,139,897
BSL Course	-	13	-	13
Ottawa fund	-	10,181	-	10,181
	<u>1,139,897</u>	<u>10,194</u>	<u>-</u>	<u>1,150,091</u>
Charity sub total	1,139,897	10,194	-	1,150,091
	<u>1,139,897</u>	<u>10,194</u>	<u>-</u>	<u>1,150,091</u>
Subsidiaries				
Oaks Trust	-	70,217	-	70,217
Friends First	-	28,767	-	28,767
	<u>-</u>	<u>98,984</u>	<u>-</u>	<u>98,984</u>
Unrestricted funds				
General funds	190,709	204,625	-	395,334
Designated funds	485,100	559,653	-	1,044,753
	<u>675,809</u>	<u>764,278</u>	<u>-</u>	<u>1,440,087</u>
	<u>1,815,705</u>	<u>873,457</u>	<u>-</u>	<u>2,689,162</u>

13 COMMITMENT

At 31 December 2020, the group was committed to making the following payment under a non-cancellable operating lease in the year to 31 December 2020:

	2020 £	2019 £
Total future minimum lease commitment	<u>£2,686</u>	<u>£3,259</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2020

14 SUBSIDIARIES

During 2003, the activities of the Housing and Work Support were taken over by Friends First (Company number: 4402061, Charity number: 1094827), a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 December 2020 were £28,767 (2019: £26,464). During the year ended 31 December 2020, Friends First generated incoming resources of £36,360 received £85,135 in transfers from Clarendon Trust and expended resources of £119,193.

During 2014, the activities of Alternatives and the Foodbank were transferred to Oaks Trust (Company number: 8286100, Charity number: 1150372), a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 December 2020 were £70,217 (2019: £7,202). During the year ended 31 December 2020, Oaks Trust generated incoming resources of £78,025 and expended resources of £15,010 of which £260 was transferred to Clarendon Trust to reimburse for expenditure incurred.

During 2019, the lettings and café activities were transferred to Clarendon Enterprise Trading Ltd (Company number: 11973917). The net deficit of this subsidiary at 31 December 2020 were £67,834 (2019: £41,577). During the year ended 31 December 2020, Clarendon Enterprise Trading Ltd generated incoming resources of £197,883 and expended resources of £224,140.

The registered offices for both charities is 21-23 Clarendon Villas, Hove, East Sussex, BN3 3RE.

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.