

Registration No. 3223210

OXFORDSHIRE COMMUNITY CHURCHES

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

Annual Report and Financial Statements for the year ended 31st August 2010

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OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31st AUGUST 2010

Status	A company limited by guarantee and not having a share capital, registered in England and Wales, number 3223210 The company has charitable status and is registered with the Charity Commission under registration number 1056921	
Directors	S P Thomas (Chairman) M Beaumont K Bowers (resigned 8 th September 2009) D Campsall (resigned 29 th March 2011) P Gale M Greig (appointed 7th June 2010) S Jackman	J McCobb (appointed 23 rd March 2010) K Murphy (appointed 26 th January 2010) K Neal T Ogden (resigned 24 th November 2009, reappointed 17 th January 2011) M Prosser B Wood (resigned 17 th January 2011)
	All the above served throughout the year except as indicated above. The directors of the company are also the trustees of the charitable activities. The power of appointment or removal of trustees rests with the members. New trustees are selected from the members of Oxfordshire Community Churches after consultation.	
Secretary	M Biddlecombe	
Principal address and registered office	The King's Centre, Osney Mead, Oxford, OX2 0ES	
Auditors	The auditors are Morgan Cameron Limited, Chartered Accountants and Registered Auditors, of Wittas House, Two Rivers, Station Lane, Witney, Oxfordshire, OX28 4BH. They have indicated their willingness to be reappointed to office under the Companies Act 2006.	
Bankers	Barclays Bank plc, Market Square, Witney, Oxfordshire, OX28 6BJ	

OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31st AUGUST 2010 (CONTINUED)

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

OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31st AUGUST 2010 (CONTINUED)

Risk management

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

Objects, objectives, and principal activities

Aims and objectives

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

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

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

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

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

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

Review of activities during the period

During the year ended 31 August 2010 the charity has sought to fulfil the calling of Christ and its charitable purposes for the public benefit as follows:

1 To advance the Christian religion

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

OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31st AUGUST 2010 (CONTINUED)

Oxfordshire Community Churches has sought to continue to plant new churches with work continuing in Moreton-in-Marsh, The Wychwoods, Banbury and Kidlington

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

Smaller regional gatherings of churches have continued, initiating new activities and strengthening our congregations and local evangelistic work. Significant work has been undertaken to consider how these regional groups can increase our effectiveness as a charity and streamline our corporate governance.

Various pastors travelled overseas in order to teach, advise and support churches, missionaries, and Bible colleges. These trips were undertaken at a cost of £23,632 to Oxfordshire Community Churches and without charge to those we visit. Nations visited include Belgium, Canada, France, Holland, Sweden and Switzerland and those nations listed below in point 3.

The members of the churches have consistently been applying the principles of church life, as outlined in the New Testament, in the places where they live and work and by impacting social attitudes in wider national society. This is a very significant part of the purpose of the churches and much of it is done without publicity and the enormous amount of time spent in this way cannot be quantified.

2 *To advance education*

The King's School provided education for 142 pupils from the ages of 6 to 16. We have continued to run an Ofsted approved pre-school in Bicester. Stepping Stones Foundation Unit in Witney operated for its first full year providing education for 30 children from the ages of 2½ to 5.

Work was completed on the new facilities for The King's School and Stepping Stones Foundation Unit during the autumn of 2010. This development has been completed on time and within the budget of £2,750,000. The new facility also provides an excellent facility for the North Witney Community Church and wider community use.

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

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

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

There has been support of individual workers, relief and development work both in the UK and overseas. A total of £57,210 has been paid out from central funds, with further significant support from individual local churches, for work overseas. Through these activities we have been able to help people in many nations including Burundi, China, India, Kazakhstan, Poland, Rwanda and Uganda.

Whilst Oxfordshire is a generally affluent county, many of our churches are working into areas of poverty and hardship. Homeless work, food banks, CAP Money courses and Street Pastors all help to alleviate these conditions. Through a subsidy of £63,602, we have been able to help The King's School and Stepping Stones offer fee assistance to families who could not otherwise afford to send their children.

4 *Other activities*

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

The King's Centre Limited, the subsidiary trading company of Oxfordshire Community Churches, generated a surplus of £114,020 which was remitted to Oxfordshire Community Churches as a donation. From this donation £25,000 was allocated to the Building Fund and the remainder used towards the costs of running the centre.

OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31st AUGUST 2010 (CONTINUED)

Financial review and results for the year

Churches

Tithe and other unrestricted voluntary income through the local churches rose by £33,875 to £1,026,783, reflecting a modest recovery after the downturn in the previous year

The King's School and Stepping Stones Foundation Unit

The school's pupil numbers were down by 22, partially reflecting the transfer of the reception year group (YR) to the new Stepping Stones Foundation Unit. The combined fee and Early Years voucher income of the school and foundation unit dropped by 1% but both achieved a modest surplus for the year

The King's Centre Building Fund

The final repayment of the mortgage loan was made in September 2010

The King's School Building Fund

Whilst some of the development has been paid for through existing funds, borrowing has accrued during the development, with the final drawdown due in mid 2011. Repayments will then start

The King's Centre Limited

Our trading subsidiary, The King's Centre Limited, which hires out rooms at The King's Centre, received income of £152,608, 6% less than in the previous year. There has been a noticeable reduction in bookings from regular users, including local authorities. However, since the end of the year a group has been formed to spearhead development of the centre and its marketing

Freehold properties

The freehold properties are included at valuation, based on their existing use, with additions in the year included at cost. The valuation amount of £3,900,000 at the start of the year represented £2,700,000 for The King's Centre, Oxford and £1,200,000 for The King's School, Witney. Additions of £2,324,669 in the year related to The King's School, Witney. The properties are being maintained in good order and, as part of on-going maintenance, the roof over part of The King's Centre was replaced during the year at a cost of £136,235, this cost is included in Resources Expended in the Consolidated Statement of Financial Activities

Reserves

The majority of the charity's income is derived from school fees, regular gifts, and donations from a wide range of sources and these are forecast to cover the budgeted monthly expenditure at both Oxfordshire Community Churches and The King's School. Additional offerings and the majority of the amount received in Gift Aid are designated towards the loan repayments. The reserves in the Building Fund and Gift Aid tax recovered, together with undesignated reserves, are monitored monthly and the directors ensure that short term commitments do not exceed funds available. The directors consider that a level of general reserves equivalent to one month's expenditure is adequate and not excessive for the needs of the charity. These reserves will continue to be generated over the next 3 years through allocating amounts from the main Oxfordshire Community Churches, The King's School and The King's Centre running budgets

Restricted funds

There are a number of restricted funds which are accounted for separately. The detail for these is shown in note 15 to the accounts. Gift Aid relating to these funds is allocated accordingly

OXFORDSHIRE COMMUNITY CHURCHES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION FOR THE YEAR ENDED 31st AUGUST 2010 (CONTINUED)

Future plans

Medium to long-term strategy

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

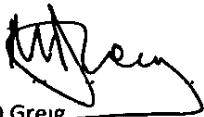
- Being local churches that are outwardly focused in our communities and responding to the needs of each local community
- Planting churches that follow our mission statement and so increase our geographical base
- Establish pre-schools and primary schools across Oxfordshire, so that more children can have a Christian-based education
- Continue to develop the facilities of The King's Centre, in order to serve our larger mission, and to encourage more external business and community use of the Centre
- Seek to reduce the outstanding mortgage debt for The King's School, on or ahead of the agreed payment schedule

Next year

During the next year we intend to

- Continue to develop smaller regional groupings of churches and workers to increase our effectiveness in the future
- Continue to develop church planting activity in Banbury, Moreton-in-Marsh and Kidlington
- Investigate the government's Free School proposal and its potential for our educational development
- Continue to work towards establishing a school in Oxford
- Commission the new building for The King's School and establish the school, Stepping Stones and North Witney church's use of the new facilities
- Develop community use of the new facilities at The King's School

Approved by the board of directors on 11th May 2011 and signed on its behalf



M D Greig

Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORDSHIRE COMMUNITY CHURCHES

We have audited the financial statements of Oxfordshire Community Churches for the year ended 31 August 2010 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 August 2010, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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



Alan Thornton FCA
Senior Statutory Auditor

For and on behalf of
Morgan Cameron Limited, Statutory Auditor

Wittas House, Two Rivers
Station Lane, Witney
OX28 4BH

11th May 2011

OXFORDSHIRE COMMUNITY CHURCHES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and expenditure account) for the year ended 31st August 2010

	Notes	Unrestricted funds		Restricted funds	Total funds	2009 Total funds
		General £	Designated £	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income						
- Gifts and donations		1,239,296	344,591	222,203	1,806,090	1,707,769
Activities for generating funds						
- Trading subsidiary income		152,608	-	-	152,608	161,983
- Other fundraising income		1,473	-	-	1,473	631
Interest on bank deposits		74	-	-	74	830
Incoming resources from charitable activities						
School fees and other educational income		536,478	-	-	536,478	560,696
Other income		116,240	-	4,998	121,238	105,690
Allocation of income		53,602	(53,602)	-	-	-
TOTAL INCOMING RESOURCES		2,099,771	290,989	227,201	2,617,961	2,537,599
RESOURCES EXPENDED						
Costs of generating funds	2	111,051	-	-	111,051	117,408
Charitable activities	3	1,906,727	185,151	191,666	2,283,544	2,214,411
Governance costs	4	13,564	-	-	13,564	12,334
TOTAL RESOURCES EXPENDED		2,031,342	185,151	191,666	2,408,159	2,344,153
NET INCOME/(EXPENDITURE) for year before transfers						
	5	68,429	105,838	35,535	209,802	193,446
Transfers between funds	16	-	-	-	-	-
Transfers to reserves		(16,133)	-	-	(16,133)	(33,350)
NET MOVEMENT IN FUNDS		52,296	105,838	35,535	193,669	160,096
TOTAL FUNDS brought forward		3,241,401	295,352	29,769	3,566,522	3,406,426
TOTAL FUNDS carried forward		3,293,697	401,190	65,304	3,760,191	3,566,522

There were no recognised gains or losses other than as shown above

The notes on pages 14 to 18 form part of these financial statements

OXFORDSHIRE COMMUNITY CHURCHES

CONSOLIDATED BALANCE SHEET at 31st August 2010

	Notes	Unrestricted funds £	Restricted funds £	Total funds £	2009 Total funds £
FIXED ASSETS					
Tangible assets	7	6,227,856	-	6,227,856	3,904,913
CURRENT ASSETS					
Stock		846	-	846	1,168
Loan	9	1,250	-	1,250	20,000
Debtors	10	137,228	-	137,228	137,655
Cash at bank and in hand		371,040	65,304	436,344	373,606
		<u>510,364</u>	<u>65,304</u>	<u>575,668</u>	<u>532,429</u>
CREDITORS	11				
<i>Amounts falling due within one year</i>					
Bank loan (secured)		34,624	-	34,624	207,844
Creditors and accruals		386,989	-	386,989	53,877
Social security and other taxes		28,052	-	28,052	19,411
		<u>449,665</u>	<u>-</u>	<u>449,665</u>	<u>281,132</u>
NET CURRENT ASSETS		<u>60,699</u>	<u>65,304</u>	<u>126,003</u>	<u>251,297</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,288,555</u>	<u>65,304</u>	<u>6,353,859</u>	<u>4,156,210</u>
CREDITORS	11				
<i>Amounts falling due after more than one year</i>					
Bank loan (secured)		(2,022,989)	-	(2,022,989)	(35,142)
		<u>4,265,566</u>	<u>65,304</u>	<u>4,330,870</u>	<u>4,121,068</u>
FUNDS AND RESERVES					
Revaluation reserve	12	521,196	-	521,196	521,196
General reserves	13	49,483	-	49,483	33,350
General fund		3,293,697	-	3,293,697	3,241,401
Designated funds	14	401,190	-	401,190	295,352
		<u>4,265,566</u>	<u>-</u>	<u>4,265,566</u>	<u>4,091,299</u>
Restricted funds	15	-	65,304	65,304	29,769
Total funds and reserves	17	<u>4,265,566</u>	<u>65,304</u>	<u>4,330,870</u>	<u>4,121,068</u>

Approved by the board of directors on 11th May 2011 and signed on its behalf



M D Greig
Director

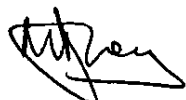
The notes on pages 14 to 18 form part of these financial statements

OXFORDSHIRE COMMUNITY CHURCHES

CHARITY BALANCE SHEET at 31st August 2010

	Notes	Unrestricted funds £	Restricted funds £	Total funds £	2009 Total funds £
FIXED ASSETS					
Tangible assets	7	6,227,856	-	6,227,856	3,904,913
Investment in subsidiary company	8	1	-	1	1
		<u>6,227,857</u>	<u>-</u>	<u>6,227,857</u>	<u>3,904,914</u>
CURRENT ASSETS					
Stock		846	-	846	1,168
Loan	9	1,250	-	1,250	20,000
Debtors	10	146,070	-	146,070	151,747
Cash at bank and in hand		<u>357,603</u>	<u>65,304</u>	<u>422,907</u>	<u>357,046</u>
		<u>505,769</u>	<u>65,304</u>	<u>571,073</u>	<u>529,961</u>
CREDITORS	11				
<i>Amounts falling due within one year</i>					
Bank loan (secured)		34,624	-	34,624	207,844
Creditors and accruals		384,217	-	384,217	52,277
Social security and other taxes		<u>26,230</u>	<u>-</u>	<u>26,230</u>	<u>18,544</u>
		<u>445,071</u>	<u>-</u>	<u>445,071</u>	<u>278,665</u>
NET CURRENT ASSETS		<u>60,698</u>	<u>65,304</u>	<u>126,002</u>	<u>251,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,288,555</u>	<u>65,304</u>	<u>6,353,859</u>	<u>4,156,210</u>
CREDITORS	11				
<i>Amounts falling due after more than one year</i>					
Bank loan (secured)		<u>(2,022,989)</u>	<u>-</u>	<u>(2,022,989)</u>	<u>(35,142)</u>
		<u>4,265,566</u>	<u>65,304</u>	<u>4,330,870</u>	<u>4,121,068</u>
FUNDS AND RESERVES					
Revaluation reserve	12	521,196	-	521,196	521,196
General reserves	13	49,483	-	49,483	33,350
General fund		3,293,697	-	3,293,697	3,241,401
Designated funds	14	<u>401,190</u>	<u>-</u>	<u>401,190</u>	<u>295,352</u>
		<u>4,265,566</u>	<u>-</u>	<u>4,265,566</u>	<u>4,091,299</u>
Restricted funds	15	<u>-</u>	<u>65,304</u>	<u>65,304</u>	<u>29,769</u>
Total funds and reserves		<u>4,265,566</u>	<u>65,304</u>	<u>4,330,870</u>	<u>4,121,068</u>

Approved by the board of directors on 11th May 2011 and signed on its behalf



M D Greig
Director

The notes on pages 14 to 18 form part of these financial statements

OXFORDSHIRE COMMUNITY CHURCHES

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st August 2010

	2010 £	2009 £	
Reconciliation of net outgoing resources to net cash inflow from operating activities			
Net incoming/(outgoing) resources	209,802	193,446	
Depreciation of tangible fixed assets	1,726	4,505	
Loss on disposal of tangible fixed assets	-	393	
(Increase)/decrease in stocks	322	1,102	
(Increase)/decrease in missionary loan	18,750	(20,000)	
(Increase)/decrease in debtors	427	(10,029)	
Increase/(decrease) in creditors	341,753	(218)	
Net cash inflow from operating activities	<u>572,780</u>	<u>169,199</u>	
CASH FLOW STATEMENT			
Net cash inflow/(outflow) from operating activities	572,780	169,199	
Capital expenditure:			
Proceeds of sale of tangible fixed assets	-	1,000	
Additions to tangible fixed assets	(2,324,669)	-	
	<u>(1,751,889)</u>	<u>170,199</u>	
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash in the year	(1,751,889)	170,199	
Net funds/(debt) at 1st September	130,620	(39,579)	
Net (debt)/funds at 31st August	<u>(1,621,269)</u>	<u>130,620</u>	
Analysis of net funds/(debt)			
	1 Sep 2009 £	Cashflow £	31 Aug 2010 £
Cash at bank and in hand	373,606	62,738	436,344
Bank loans	(242,986)	(1,814,627)	(2,057,613)
	<u>130,620</u>	<u>(1,751,889)</u>	<u>(1,621,269)</u>

OXFORDSHIRE COMMUNITY CHURCHES

NOTES TO THE ACCOUNTS for the year ended 31st August 2010

1 Accounting policies

i Basis of preparation

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

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

ii Incoming resources

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

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

iii Resources expended

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

iv The King's School and Stepping Stones Foundation Unit

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

v Tangible fixed assets

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

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

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

vi Stock

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

vii Fund structure

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

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

viii Pension contributions

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

OXFORDSHIRE COMMUNITY CHURCHES

NOTES TO THE ACCOUNTS for the year ended 31st August 2010 (continued)

Resources expended (Notes 2 - 4)

	Pastors' fees £	Salary costs £	Other costs £	Depreciation charges £	Total £	2009 Total £
2 Costs of generating funds						
The King's Centre	-	74,213	-	-	74,213	71,087
Total charity costs	-	74,213	-	-	74,213	71,087
Operating costs of subsidiary	-	-	36,838	-	36,838	46,321
Total group costs	-	74,213	36,838	-	111,051	117,408
3 Charitable activities						
OCC group costs	175,519	510,216	210,046	-	895,781	870,965
Local churches	-	18,236	164,150	-	182,386	225,877
The King's School	-	415,922	179,763	1,200	596,885	579,482
The King's Centre (Support of OCC)	-	7,580	141,490	-	149,070	160,135
Pre-school centres	-	62,165	13,976	-	76,141	56,718
Youth and pensioners' groups	-	-	6,464	-	6,464	12,066
Unrestricted funds	175,519	1,014,119	715,889	1,200	1,906,727	1,905,243
Designated funds	-	-	184,625	526	185,151	108,081
Restricted funds	-	16,968	174,698	-	191,666	201,087
Total	175,519	1,031,087	1,075,212	1,726	2,283,544	2,214,411
4 Governance costs						
Staff costs	-	3,226	-	-	3,226	3,618
Auditor's remuneration	-	-	9,844	-	9,844	8,223
Trustee indemnity insurance	-	-	494	-	494	493
Total	-	3,226	10,338	-	13,564	12,334

	Unrestricted funds		Restricted funds	Total	2009
	General £	Designated £	£	£	£
5 Net incoming resources for the year					
The net incoming resources for the year are after charging					
Auditor's remuneration	9,844	-	-	9,844	8,223
Depreciation of tangible fixed assets	1,200	526	-	1,725	4,505
Loss on disposal of minibus	-	-	-	-	393
Directors' remuneration (note 6)	108,168	-	-	108,168	114,250
Staff costs	1,091,558	-	16,968	1,108,526	799,642
Staff salaries and wages	997,546	-	15,025	1,012,571	722,156
National Insurance contributions	62,483	-	1,192	63,675	49,781
Pension contributions	31,529	-	751	32,280	27,705

During the year the average number of staff employed by the charity was **79** (2009 71)
The average number of full-time equivalent employees was **55** (2009 53)
None of the employees received remuneration in excess of £60,000 in the year (2009 none)

OXFORDSHIRE COMMUNITY CHURCHES

NOTES TO THE ACCOUNTS

for the year ended 31st August 2010 (continued)

6 Directors' remuneration (Charity and Group)

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

	Remuneration			Total	2009
	Fees & salaries	Pension	Expenses		Total
	£	£	£	£	£
S Thomas	50,726	-	10,192	60,918	58,619
L Thomas	11,587	579	-	12,166	15,304
M Beaumont	31,764	-	3,614	35,378	34,201
E Beaumont	5,435	272	-	5,707	5,707
D Campsall	-	-	694	694	1,477
K Neal	7,433	372	-	7,805	7,041
M Prosser	-	-	-	-	-
C Prosser	-	-	-	-	3,980
B Wood	-	-	1,042	1,042	681
	106,945	1,223	15,542	123,710	127,010

Total remuneration (including pension contributions) £108,168

Expenses paid to directors are in respect of travel, telephone and hospitality costs. Also during the year £493 has been paid for a Trustee Indemnity Insurance policy. There were no other transactions with, or expenses paid to the directors.

7 Tangible fixed assets (Charity and Group)

	Freehold property	Office equipment	Minibus	Total
	£	£	£	£
Cost or valuation				
At valuation 1 9 09	3,900,000	172,132	6,000	4,078,132
Additions at cost	2,324,669	-	-	2,324,669
Disposals	-	(7,882)	-	(7,882)
At 31 8 10	6,224,669	164,250	6,000	6,394,919
Accumulated depreciation				
At 1 9 09	-	171,519	1,700	173,219
Charge for year	-	526	1,200	1,726
Disposals	-	(7,882)	-	(7,882)
At 31 8 10	-	164,163	2,900	167,063
Net book value				
At 31 8 10	6,224,669	87	3,100	6,227,856
At 31 8 09	3,900,000	613	4,300	3,904,913

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

The freehold properties were valued in 2009 by Savills (L&P) Ltd, Chartered Surveyors, on the basis of existing use value and in accordance with the RICS Appraisal and Valuation Manual. Subsequent additions are shown at cost.

8 Investment in subsidiary (Charity)

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

The turnover of The King's Centre Limited for the year ended 31 August 2010 was £152,608 (2009 £161,982), and its profit donated to the charity was £114,020 (2009 £113,812).

OXFORDSHIRE COMMUNITY CHURCHES

NOTES TO THE ACCOUNTS for the year ended 31st August 2010 (continued)

9 Loan (Charity and Group)

In the previous year an interest-free loan of £20,000 was made to Jan White, a missionary supported by the charity. This was to enable her to purchase a house and thereby lower her monthly outgoings. Repayments since the balance sheet date have cleared the amount outstanding.

10 Debtors

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
<i>All falling due within one year</i>				
Trade debtors	28,767	20,266	18,589	15,546
Gift Aid tax recoverable	101,909	113,074	101,909	113,074
Profit from TKC Ltd	-	-	19,020	18,812
Other debtors	3,826	1,117	3,826	1,117
Prepayments	2,726	3,198	2,726	3,198
	<u>137,228</u>	<u>137,655</u>	<u>146,070</u>	<u>151,747</u>

11 Creditors

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
<i>Amounts falling due within one year</i>				
Bank loan	34,624	207,844	34,624	207,844
Trade creditors	376,901	8,452	375,887	8,452
HM Revenue & Customs	28,052	19,411	26,230	18,544
Other creditors	510	37,501	502	37,501
Accruals	9,578	7,924	7,828	6,324
	<u>449,665</u>	<u>281,132</u>	<u>445,071</u>	<u>278,665</u>
<i>Amounts falling due after more than one year</i>				
Bank loan	<u>2,022,989</u>	<u>35,142</u>	<u>2,022,989</u>	<u>35,142</u>

The bank loans are secured on the company's properties in Witney and Oxford.

12 Revaluation reserve (Charity and Group)

This reserve arose from the revaluation of the The King's School property in Witney included in the accounts to 31st August 2008.

13 General reserves (Charity and Group)

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

14 Designated funds (Charity and Group)

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

	At 1-9-09	Income	Expenditure	Transfers	At 31-8-10
	£	£	£	£	£
TKC Building Fund	206,639	44,544	(140,654)	(99,266)	11,263
TKS Building Fund	-	79,383	(37,889)	258,359	299,853
Gift Aid tax recovered	78,602	159,388	-	(159,093)	78,897
Mission Fund	3,629	5,961	(5,818)	-	3,772
Area Education Fund	2,982	713	-	-	3,695
Community Projects Fund	3,500	1,000	(790)	-	3,710
	<u>295,352</u>	<u>290,989</u>	<u>(185,151)</u>	<u>-</u>	<u>401,190</u>

The King's Centre (TKC) Building Fund serviced the loan and the development of TKC. The final loan repayment was made in September 2010. Gift Aid of £99,266 previously designated but no longer required has been re-allocated to The King's School (TKS) Building Fund.

The King's School (TKS) Building Fund is for development of The King's School premises in Witney and to service the loan taken out for that development.

The balance of Gift Aid tax recovered (£78,897) is set aside for subsidies at The King's School and Stepping Stones Foundation Unit.

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

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

OXFORDSHIRE COMMUNITY CHURCHES

NOTES TO THE ACCOUNTS for the year ended 31st August 2010 (continued)

15 Restricted funds (Charity and Group)

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

	At 1-9-09 £	Income £	Expenditure £	At 31-8-10 £
The King's School restricted	-	36,625	(21,245)	15,380
Stepping Stones restricted	-	6,493	(2,104)	4,389
Salem School	578	5,346	(4,593)	1,331
Missionary support	18,808	39,571	(46,799)	11,580
Other funds	10,383	139,166	(116,925)	32,624
	29,769	227,201	(191,666)	65,304

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

Stepping Stones Foundation Unit operates funds for specific projects

Salem School is a school in Kazakhstan

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

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

16 Transfers between funds (Charity and Group)

Reason	From fund	To fund	£
Surplus to TKC Building Fund requirement	King's Centre Building	King's School Building	99,266
Surplus to education subsidy requirement	Gift Aid tax recovered	King's School Building	159,093

17 Reconciliation of movements on funds and reserves (Group)

	Revaluation reserve £	General reserves £	General fund £	Designated funds £	Restricted funds £	Total £
At 1 September 2009	521,196	33,350	3,241,401	295,352	29,769	4,121,068
Transfers to reserves	-	16,133	(16,133)	-	-	-
Surplus for the year	-	-	68,429	105,838	35,535	209,802
At 31 August 2010	521,196	49,483	3,293,697	401,190	65,304	4,330,870

18 Legal status

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

19 Capital commitment (Charity and Group)

In September 2009 a contract was signed with Cooper Construction Ltd to erect a new building on The King's School site in New Yatt Road, Witney. This was to enable the Senior and Primary departments to function from the same location. A separate contract for refurbishment of the existing building was signed subsequently with the same company. The building work was sufficiently complete for the start of the school year in September 2010 although work, including landscaping of grounds, continued beyond then. The expected cost of the work is approximately £2.64 million, including refurbishment and redecoration of the original building. Capital expenditure incurred in the year of £2,324,669 is included as additions to freehold property. The commitment for capital expenditure not included in these statements is approximately £226,000.